

AGENCY DEBT OBLIGATION RESOLUTION  
*Lawrence Avenue Community Partners, L.P. (Project #4001-19-02)*  
Resolution No. IDA-19-08-21  
August 9, 2019

A regular meeting of the St. Lawrence County Industrial Development Agency (the "Issuer") was convened in public session on August 9, 2019 at 19 Commerce Lane, Suite 1, Canton, New York 13617.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Issuer were:

MEMBER	PRESENT	ABSENT
Blevins, Lynn	X	
Hall, Mark C.	X	
LaBaff, Ernest	X	
McMahon, Andrew	X	
Morrill, Steven	X	
Reagen, James	X	
Staples, Brian W.	X	

Also present: Patrick J. Kelly, Thomas Plastino, and Lori Sibley.

After the meeting had been duly called to order, the Chairman announced that, among the purposes of the meeting, was to consider and take action on certain matters pertaining to a proposed project for the benefit of Lawrence Avenue Community Partners, L.P.

A motion was duly made by Mr. LaBaff and seconded by Mr. Reagen. The following Resolution was placed before the members of the Issuer.

RESOLUTION AUTHORIZING THE ISSUANCE, EXECUTION, SALE AND DELIVERY OF THE ISSUER'S MULTIFAMILY HOUSING REVENUE AGENCY DEBT OBLIGATION (LAWRENCE AVENUE COMMUNITY PARTNERS, L.P. PROJECT), SERIES 2019 IN THE AGGREGATE PRINCIPAL AMOUNT OF UP TO \$18,000,000 (THE "AGENCY DEBT OBLIGATION") AND THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS.

WHEREAS, Title 1 of Article 18 A of the General Municipal Law of the State of New York (the "Enabling Act") was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York ("State"); and

WHEREAS, the Enabling Act authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and dispose of land and any building or other improvement, and all real

and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction which shall be suitable for manufacturing, warehousing, civic, commercial and research facilities, including recreation facilities, in order to advance job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease and sell any or all of its facilities, to issue its bonds and agency debt obligations, for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of and interest on any such bonds and agency debt obligations so issued and any agreements made in connection therewith, to mortgage and pledge any or all of its facilities, whether then owned or thereafter acquired, and to pledge the revenues and receipts from the leases or sale thereof to secure the payment of such bonds and agency debt obligations and interest thereon; and

WHEREAS, the Issuer was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 358 of the Laws of 1971 of the State, (collectively, with the Enabling Act, the "Act"), and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so promote job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, Community Preservation Partners, for the benefit of Lawrence Avenue Community Partners, L.P. (the "Company") previously presented an application (the "Application") to the Issuer, a copy of which is on file at the office of the Issuer, requesting that the Issuer consider undertaking a project (the "Project") consisting of (A) the acquisition of approximately 10.483 acres of land located at 3 Debra Drive, Village of Potsdam, Town of Potsdam, St. Lawrence County, State of New York (the "Land") together with six (6) residential buildings known as Lawrence Avenue Apartments containing 137 affordable multifamily units (collectively, the "Existing Improvements"); (B) the renovation, equipping and modernization of the Existing Improvements, including, but not limited to, reconstruction of eight (8) apartment units made uninhabitable by fire damage, improvements and upgrades to mechanical, life/safety and energy systems, accessibility, façade and amenities, and related improvements (collectively, the "Improvements") (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment, fixtures, furniture and other incidental tangible personal property (collectively, the "Equipment", and together with the Land, the Existing Improvements and the Improvements, the "Facility"); (D) the payment of all or a portion of credit enhancement fees relating to the Agency Debt Obligation, if any, funding a debt service reserve fund, if any, and capitalized interest, if any; (E) paying certain costs and expenses incidental to the issuance of the Agency Debt Obligation; and

WHEREAS, the Issuer is intending to provide financial assistance to the Company with respect to the Project (collectively, the "Financial Assistance") in form of (A) the financing of the Project and certain necessary and incidental expenditures incurred in connection therewith through the issuance of the Agency Debt Obligation in an amount not to exceed the \$18,000,000 and (B) an exemption from all mortgage recording taxes with respect to any qualifying mortgage on the Facility to secure the Agency Debt Obligation;

WHEREAS, the Issuer duly adopted a resolution on March 26, 2019 taking official action towards the issuance of the Agency Debt Obligation and deciding to accept the Application to issue the Agency Debt Obligation for the purpose of assisting in financing the cost of undertaking the Project;

WHEREAS, the Issuer now desires to determine whether the issuance of the Agency Debt Obligation, the undertaking of the Project and the providing of contemplated financial assistance with respect to the same will be in conformance with Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State (said law and regulations hereinafter collectively referred to as "SEQR"); and

WHEREAS, to aid the Issuer in making a determination whether the acquisition, construction, renovation and equipping of the Facility and the providing of the contemplated Financial Assistance will be in conformance with SEQR, the Company has submitted to the Issuer a completed Short Environmental Assessment Form dated March 14, 2019 (the "EAF") with respect to the Project; and

WHEREAS, in accordance with Section 147 of the Internal Revenue Code of 1986, as amended (the "Code") and Section 859-a of the General Municipal Law, a public hearing was held by the Issuer with respect to the Project on April 23, 2019, notices of which were published in the Watertown Daily Times and the Daily Courier-Observer on April 5, 2019 and April 7, 2019, at least 14 days prior to the date of the public hearing; and

WHEREAS, the St. Lawrence County Board of Legislators approved of the issuance of the Agency Debt Obligation in accordance with Section 147 of the Code on August 5, 2019; and

WHEREAS, pursuant to Section 146 of the Code, the Issuer previously secured an allocation of the private activity volume cap from the State through Empire State Development sufficient for the issuance of the Agency Debt Obligation; and

WHEREAS, the Agency Debt Obligation will be issued by the Issuer and purchased by KeyBank National Association (the "Initial Funding Lender"), pursuant to a certain funding loan agreement (the "Funding Loan Agreement") by and among the Issuer, the Initial Funding Lender and Wilmington Trust, National Association, as fiscal agent (the "Fiscal Agent"), wherein the Fiscal Agent shall hold the Agency Debt Obligation for the holders from time to time of the Agency Debt Obligation; and

WHEREAS, in order to consummate the aforesaid financing, the Issuer has been requested to (1) enter into (a) the Funding Loan Agreement (b) a company lease agreement by and between the Issuer and Company (the "Company Lease Agreement"), (c) a lease agreement by and between the Issuer and Company (the "Lease Agreement"), (d) a pledge and assignment (the "Assignment") from the Issuer to the Fiscal Agent, (e) a mortgage and security agreement (the "Mortgage and Security Agreement") from the Issuer and the Company to the Fiscal Agent;

NOW, THEREFORE, BE IT RESOLVED by the St. Lawrence County Industrial Development Agency as follows:

Section 1. The Issuer hereby finds and determines:

(a) By virtue of the Act, the Issuer has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a “project,” as such term is defined in the Act; and

(c) The Project will promote and maintain permanent private sector jobs, health, general prosperity and economic welfare of the citizens of the State and improve their standard of living and will increase the overall number of permanent private sector jobs in the State and thereby serve the public purposes of the Act; and

(d) The Project and the operations conducted therein will not cause or result in the violation of the health, labor or other laws of the United States of America, the State, or St. Lawrence County, New York; and

(e) It is desirable and in the public interest for the Issuer to issue and sell its Agency Debt Obligation to be dated the date of its issuance and sale, upon the terms and conditions set forth in the Funding Loan Agreement and to secure the Agency Debt Obligation by the execution and delivery to the Fiscal Agent of the Mortgage and Security Agreement and the Assignment, all for the purpose of assisting in financing the Project; and

(f) The public hearings held by the Issuer concerning the issuance of the Agency Debt Obligation and the nature of the Project was duly held in accordance with the requirements of the Code and the laws of the State, including but not limited to the giving of public notice of the hearing a reasonable time before the hearing and affording a reasonable opportunity for persons with differing views on both the issuance of the Agency Debt Obligation and the nature of the Project to be heard; and

(g) All documents to be executed by the Issuer are reasonably necessary to provide the security described herein for the Agency Debt Obligation; and

(h) The Project shall not result in the removal of a facility from one area of the State to another; and

(i) The Project involves a Type II action under SEQRA, and no further action is required to be undertaken by the Issuer under SEQRA; and

(j) Under Section 145 of the Code, the interest on the Agency Debt Obligation is exempt from federal income taxes, subject to the limitations and requirements of the Code.

Section 2. In consequence of the foregoing, the Issuer hereby determines to:

(a) acquire a leasehold interest in the Facility pursuant to the Company Lease Agreement;

(b) issue the Agency Debt Obligation pursuant to the terms and conditions set forth in the Funding Loan Agreement;

(c) sell the Agency Debt Obligation to the Initial Funding Lender pursuant to the Funding Loan Agreement,

(d) use the proceeds of the Agency Debt Obligation to reimburse the Company for the acquisition, reconstruction, equipping and modernization of the Facility and to refurbish, install and equip the Facility and pay necessary incidental expenses,

(e) lease the Issuer's leasehold interest in the Facility back to the Company pursuant to the Lease Agreement,

(f) secure the Agency Debt Obligation and the Company's obligations under the Company Lease Agreement and Lease Agreement (the "Lease Agreement") by assigning to the Fiscal Agent certain of the Issuer's rights and remedies under the Lease Agreements, pursuant to the Assignment, and granting a mortgage lien on and security interest in the Facility to the Fiscal Agent pursuant to the Mortgage and Security Agreement,

(g) execute a certain Tax Regulatory Agreement, Certificate as to Arbitrage and IRS Form 8038, all dated as of the date of issuance and delivery of the Agency Debt Obligation and provided to ensure the tax exempt status of the Agency Debt Obligation (collectively, the "Tax Documents"),

(h) appoint the Company as agent to the Issuer for purposes of undertaking the Project and provide the Company with an exemption from State mortgage recording tax, and

(i) execute and deliver all other agreements, certificates and documents necessary to effectuate the issuance of the Agency Debt Obligation.

Section 3. The Issuer has assessed all material information included in connection with the application for the Financial Assistance submitted by the Company, including, but not limited to, the cost-benefit analysis prepared by the Issuer, and such information has provided the Issuer a reasonable basis for its decision to provide the Financial Assistance described herein to the Company.

Section 4. The Issuer hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the renovation, equipping and modernization of the Facility in the form of an exemption from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$ 14,960,000 but not to exceed \$18,000,000, in connection with the financing of the renovation, equipping and modernization of the Facility. No abatement of real property taxes is being granted by the Issuer.

Section 5. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that portions of the Financial Assistance provided pursuant to the Act and the appointment of the Company as agent of the Agency is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the Lease Agreement.

Section 6. The form and substance of the Agency Debt Obligation, the Funding Loan Agreement, the Lease Agreements, the Mortgage and Security Agreement, the Assignment, the Tax Documents and all other agreements, certificates or documents to be delivered or executed by the Issuer (collectively referred to hereinafter as the "Agency Debt Obligation Documents") are hereby approved, and the Secretary is hereby directed to include a copy of the form of the Agency Debt Obligation submitted to this meeting with the records of the Issuer.

Section 7. The Issuer is hereby authorized to issue, execute, sell and deliver to the Initial Funding Lender the Agency Debt Obligation in the form heretofore approved in this Section 7, pursuant to the Act and in accordance with the Funding Loan Agreement; provided that:

(a) The Agency Debt Obligation authorized to be issued, executed, sold and delivered pursuant to this Section 7 shall be issued, executed and delivered at such time as the Chairman (Vice Chairman) or Chief Executive Officer of the Issuer shall determine, (ii) shall bear interest at such rates, be issued in such amount, be subject to redemption prior to maturity, and have such other provisions and be issued in such manner and on such conditions as are approved by the Chairman (Vice Chairman) or Chief Executive Officer of the Issuer, and (iii) shall have such other provisions and be issued in such manner and on such conditions as are set forth in the Agency Debt Obligation and the Funding Loan Agreement, all of which provisions are specifically incorporated herein with the same force and effect as if fully set forth in this resolution.

(b) The Agency Debt Obligation shall be issued solely for the purpose of providing funds to finance the Facility.

(c) The Agency Debt Obligation and the interest thereon are not and shall never be a debt of the State or St. Lawrence County, New York, and neither the State nor St. Lawrence County, New York shall be liable thereon.

(d) The Agency Debt Obligation, together with interest payable thereon, shall be special and limited obligations of the Issuer payable solely from the revenues and receipts derived from the lease of the Facility or from the enforcement of the security provided by the Agency Debt Obligation Documents.

Section 8.

(a) The Chairman (Vice Chairman) or Chief Executive Officer of the Issuer is hereby authorized, on behalf of the Issuer, to negotiate, approve, execute and deliver the Agency Debt Obligation Documents, and, where appropriate, the Secretary or Assistant Secretary of the Issuer is hereby authorized (but not required) to affix the seal of the Issuer thereto and to attest the same, all in substantially the forms thereof presented to this meeting or at any time hereafter with such

changes, variations, omissions and insertions as the Chairman (Vice Chairman) or Chief Executive Officer shall, in their absolute discretion, approve. The execution thereof by the Chairman (Vice Chairman) or Chief Executive Officer shall constitute conclusive evidence of such approval. All preliminary actions of the Issuer prior to the date hereof with respect to the Facility are hereby confirmed and ratified.

(b) The Chairman (Vice Chairman) or Chief Executive Officer of the Issuer are hereby further authorized and directed, on behalf of the Issuer, to designate any additional Authorized Representative of the Issuer in and pursuant to the Funding Loan Agreement.

Section 9. The members, officers, employees and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided for the provisions of the Agency Debt Obligation Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary, or in the opinion of the member, officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Issuer with all of the terms, covenants and provisions of the Agency Debt Obligation Documents binding upon the Issuer. None of the members, officers, employees and agents of the Issuer, however, shall have any personal liability under the Agency Debt Obligation Documents.

Section 10. Wilmington Trust, National Association, is hereby appointed by the Issuer to act as fiscal agent under the Funding Loan Agreement.

Section 11. The Issuer hereby assigns its private activity bond volume cap allocation with respect to the Agency Debt Obligation in accordance with Section 146 of the Code and any applicable law of the State in an amount up to \$18,000,000 (or such other amount equal to the principal amount of the Agency Debt Obligation to be issued).

Section 12. It is hereby found and determined that all formal actions of the Issuer concerning and relating to the adoption of this resolution were adopted in an open meeting of the Issuer; and that all deliberations of the Issuer and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements. A copy of this resolution, together with its attachments, shall be placed on file in the office of the Issuer where the same shall be available for public inspection during normal business hours.

Section 13. This resolution shall take effect immediately and the Agency Debt Obligation are hereby ordered to be issued in accordance with this resolution.

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Member	Aye	Nay	Abstain	Absent
Blevins, Lynn	X			
Hall, Mark C.	X			
LaBaff, Ernest	X			
McMahon, Andrew	X			
Morrill, Steven	X			
Reagen, James	X			
Staples, Brian W.	X			

The foregoing Resolution was thereupon declared duly adopted.



**EXHIBIT A**

<b>1.</b>	<b>Applicant Name/Project Number:</b> Community Preservation Partners - Project [#4001-19-02]
<b>2.</b>	The acquisition of approximately 10.483 acres of land located at 3 Debra Drive, Village of Potsdam, Town of Potsdam, St. Lawrence County, State of New York together with six (6) residential buildings known as Lawrence Avenue Apartments containing 137 affordable multifamily units; the renovation, equipping and modernization of the Existing Improvements, including, but not limited to, reconstruction of eight (8) apartment units made uninhabitable by fire damage, improvements and upgrades to mechanical, life/safety and energy systems, accessibility, façade and amenities, and related improvements.
<b>3.</b>	<b>Type of Financial Assistance Requested:</b> The issuance of multi-family housing revenue agency debt obligation in one issue in a maximum aggregate amount of \$18,000,000 (the "Agency Debt Obligation")
<b>4.</b>	<b>Total Amount of Project:</b> \$22,677,110
<b>5.</b>	<b>Benefited Project Amount:</b> Estimated at \$14,960,000 but not to exceed \$18,00,000
<b>6.</b>	<b>Estimated value of NYS Sales &amp; local sales and use tax exemption to be provided to the Company for this Project:</b> N/A
<b>7.</b>	<b>PILOT Structure and Estimated Net Exemption from PILOT</b> N/A
<b>8.</b>	<b>Mortgage Recording Tax Exemption</b> Estimated at \$149,600 but not to exceed \$180,000
<b>9.</b>	<b>Full-time Equivalent Jobs to be Retained as a Result of the Project:</b> 2FT + 2PT = 3FT Equivalent
<b>10.</b>	<b>Full-Time Equivalent Jobs to be Created as a Result of the Project:</b> 0
<b>11.</b>	<b>Expiration of the Financial Assistance:</b> 35 Years from 2022