

INITIAL PROJECT RESOLUTION

(Grober, Inc. Project)

A regular meeting of Cayuga County Industrial Development Agency was convened on Tuesday, April 7, 2015 at 4:00 p.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. 04/2015 - _1_

RESOLUTION OF THE CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF GROBER, INC. (THE "COMPANY", AS FURTHER DEFINED HEREIN) WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW); (ii) AUTHORIZING THE SCHEDULING AND CONDUCT OF A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY; (iv) AUTHORIZING THE NEGOTIATION OF CERTAIN AGREEMENTS RELATING TO THE PROJECT; AND (v) AUTHORIZING THE ISSUANCE OF A NOTICE OF DISPOSITION WITH RESPECT TO CERTAIN REAL ESTATE OWNED BY THE AGENCY.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 688 of the Laws of 1970 of the State of New York, (hereinafter collectively called the "Act"), the **CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research, and recreational facilities as authorized by the Act, and in connection therewith to issue its revenue bonds, enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, **GROBER, INC.**, for itself or on behalf of an entity or entities to be formed (herein, the "Company"), has submitted an application (the "Application") to the Agency requesting that the Agency consider undertaking a Project (the "Project") consisting of (A) the sale by the Agency to the Company (with retained leasehold interest) of an approximately 9.897-acre parcel of land located off Eagle Drive within the Town of Aurelius, Cayuga County, New York (the "Land", being identified as TMID No. 114.00-3-8); (B) the planning, design, construction and operation on the Land by the Company of an approximately 60,000 square-foot feed ingredients processing and warehouse facility (the "Improvements"), such Improvements to include, but not be limited to (i) production space, warehouse space, lab space, office space and related interior improvements, and (ii) exterior improvements upon, within and adjacent to the Land to include stormwater retention improvements, parking improvements, landscaping, curbage, utility improvements and product and waste transmission conveyance improvements; (C) the acquisition and installation in and around the Improvements of certain machinery, equipment and other items of tangible personal property (the "Equipment", and together with the

Land and Improvements, the "Facility"); and the lease of the Facility by the Agency to the Company pursuant to a straight lease transaction as defined within the Act; and

WHEREAS, pursuant to Article 18-A of the Act, the Agency desires to adopt a resolution describing the Project and the financial assistance that the Agency is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Agency will undertake the negotiation of terms for disposition of the Land to the Company (the "Disposition") to be memorialized within a contemplated Land Development Agreement ("LDA") to be entered into in furtherance of the Project; and

WHEREAS, in furtherance of the Disposition, and in accordance with applicable provisions of the Public Authorities Law ("PAL"), the Agency further contemplates the issuance of a Notice of Disposition to required recipients pursuant to PAL Section 2897(6)(d) (the "Disposition Notice"), such Disposition being exempted from publicly advertising for bids pursuant to PAL Section 2897(6)(c)(v) and obtaining fair market value pursuant to PAL Section 2897(7)(ii); and

WHEREAS, pursuant to and in accordance with Section 859-a of the Act, the Agency desires to schedule and conduct a public hearing relating to the Project and the proposed financial assistance contemplated by the Agency (collectively, the "Financial Assistance"), such Financial Assistance to include (i) mortgage recording tax exemption(s) for secured financings entered into by the Agency and Company in furtherance of the Project, (iii) sales and use tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Facility, and (iv) a partial real property tax abatement structured within a PILOT Agreement to be negotiated (the "PILOT Agreement"); and

WHEREAS, the Agency desires to (i) accept the Application, (ii) authorize the scheduling and conduct of a public hearing pursuant to and in accordance with the Act, (iii) authorize the negotiation of the LDA and PILOT Agreement, and (iv) authorize the issuance of the Disposition Notice containing such terms as set before this meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Company has presented the Application and related information in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency 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 Agency has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Cayuga County, New York, and otherwise furthering the purposes of the Agency as set forth in the Act; and

(D) The Project will not result in the removal of a facility or plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's Application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other facility or plant to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

Section 2. The Chairman (or Vice Chairman) and/or Executive Director of the Agency are hereby authorized, on behalf of the Agency, to schedule, notice and conduct a public hearing in compliance with the Act (the "Public Hearing").

Section 3. The Agency hereby authorizes the Chairman (or Vice Chairman) and/or Executive Director of the Agency to negotiate the terms of, but not execute, a proposed LDA and PILOT Agreement relating to the Disposition and Project. The Agency further authorizes the issuance of the Disposition Notice in such form as approved by the Executive Director and Transaction Counsel to the Agency.

Section 4. Harris Beach PLLC, as Transaction Counsel for the Agency, is hereby authorized to work with Agency General Counsel and counsel to the Company and others to prepare for submission to the Agency all documents necessary to effect the conduct of the Public Hearing and preparation of the LDA and Disposition Notice.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to 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 officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 6. These Resolutions shall take effect immediately.

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

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Paul Lattimore	[]	[]	[x]	[]
Carol Contiguglia	[x]	[]	[]	[]
John Latanyshyn	[x]	[]	[]	[]
Raymond Lockwood	[]	[]	[x]	[]
Herb Marshall	[x]	[]	[]	[]
Gina Speno	[]	[]	[x]	[]
Joseph Runkle	[x]	[]	[]	[]

The Resolution was thereupon declared duly adopted.

SECRETARY'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF CAYUGA) SS:

I, the undersigned Acting Secretary of the Cayuga County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Cayuga County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on April 7, 2015, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 8 day of April, 2015.



, Acting Secretary

[SEAL]