

## PROJECT AUTHORIZING RESOLUTION

A special meeting of the Onondaga County Industrial Development Agency was convened on October 19, 2017 at 9:30 a.m.

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

**RESOLUTION OF THE ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) APPOINTING SHINING STARS DAY CARE, INC. (THE "COMPANY") AS ITS AGENT TO UNDERTAKE THE PROJECT (AS MORE FULLY DESCRIBED BELOW); (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT, FINANCIAL ASSISTANCE AND PROJECT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT, PILOT AGREEMENT, AND RELATED DOCUMENTS WITH THE COMPANY WITH RESPECT TO THE PROJECT; (iii) AUTHORIZING FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (1) A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE PROJECT AND (2) AN EXEMPTION FROM MORTGAGE RECORDING TAXES AS PERMITTED BY NEW YORK LAW; AND (iv) AUTHORIZING THE EXECUTION OF A MORTGAGE AND RELATED DOCUMENTS**

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 435 of the Laws of 1970 of the State of New York, as amended (hereinafter collectively called the "Act"), the **ONONDAGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, the Act authorizes the Agency (1) to promote the economic welfare, recreational opportunities and prosperity of the inhabitants of the Onondaga County, and (2) to promote, attract, encourage and develop recreation and economically sound commerce and industry through governmental action for the purpose of preventing unemployment and economic deterioration; and

WHEREAS, **SHINING STARS DAY CARE, INC.** (the "Company") previously submitted an application (the "Application") to the Agency requesting that the Agency undertake a certain project (the "Project"), consisting of (i) the Agency taking title to or a leasehold (or other) interest in certain land located at 4595 Enders Road, Town of Manlius, Onondaga County, New York (being more particularly identified as tax map numbers 114-01-09.0, 114-01-31.0, 114-01-11.0, and 114-01-12.0) (the "Land") and the existing improvements located thereon, consisting of three (3) houses (the "Existing Improvements"); (ii) the demolition of the Existing Improvements; (iii) the construction and equipping on the Land of (a) an approximately 15,000 square-foot day care center consisting of a lending library, classrooms, staff breakroom, a small

gymnasium and a larger approximately 4,500 square-foot gymnasium, which larger gymnasium will be rented out to the public for organized team sports; (b) a parking lot; and (c) playgrounds (collectively, the "Improvements"); and (iv) the acquisition and installation by the Company in and around the Land and the Improvements of items of equipment and other tangible personal property (the "Equipment"; and, together with the Land and the Improvements, the "Facility"); and

WHEREAS, pursuant to a resolution adopted by the Agency on May 9, 2017 (the "Initial Resolution") the Agency (i) accepted the Application of the Company, (ii) made a determination pursuant to Article 8 of the Environmental Conservation Law ("SEQR") and the regulations of the Department of Environmental Conservation of the State of New York thereunder (the "DEC Regulations"), and (iii) described the forms of Financial Assistance (as heretofore defined) being contemplated for the benefit of the Company by the Agency; and

WHEREAS, it is contemplated that the Agency (i) negotiate and enter into an Agent, Financial Assistance and Project Agreement, pursuant to which the Agency will designate the Company as its agent for the purpose of acquiring, constructing and equipping the Facility (the "Project Agreement"), (ii) negotiate and enter into a Lease Agreement (the "Lease Agreement"), Leaseback Agreement (the "Leaseback Agreement") and Payment In Lieu of Tax Agreement (the "PILOT Agreement"), pursuant to which the Company will pay full taxes on the Land, and one or more mortgages, assignments of leases and rents and other security documents in favor of a lender or lenders to be identified by the Company, (iii) take title to or a leasehold (or other) interest in the Facility (once the Lease Agreement, Leaseback Agreement and PILOT Agreement have been negotiated), and (iv) provide financial assistance to the Company in the form of (a) a sales and use tax exemption for purchases and rentals related to the project and (b) an exemption from mortgage recording taxes as permitted by New York law (collectively, the "Financial Assistance"); and

WHEREAS, the Financial Assistance to be provided to the Company by the Agency in the aggregate shall not exceed \$100,000 and, therefore, the Agency is not required to hold a public hearing under the Act; and

WHEREAS, the Project Agreement, Lease Agreement, Leaseback Agreement, PILOT Agreement, and related documents (collectively, the "Agency Documents") have been negotiated and the Agency desires to authorize the undertaking of the Project.

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

Section 1. The Agency is hereby authorized to provide the Company with the Financial Assistance in the form of (i) a sales and use tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Facility to the extent and as more fully set forth in this resolution and (ii) a mortgage recording tax exemption as permitted by New York law.

Section 2. Based upon representations and warranties made by the Company in the Application, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project, that would otherwise be subject to New York State and local sales and use tax in an amount up to **\$800,000.00**, which result in New York State and local sales and use tax exemption benefits ("Sales and Use Tax Exemption Benefits") not to exceed **\$64,000.00**. The Agency agrees to consider any requests by the Company for increase to the amount of Sales and Use Tax Exemption Benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

Section 3. Pursuant to Section 875(3) of the New York General Municipal Law, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any Sales and Use Tax Exemption Benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the Sales and Use Tax Exemption Benefits; (ii) the Sales and Use Tax Exemption Benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the Sales and Use Tax Exemption Benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the Sales and Use Tax Exemption Benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project.

As a condition precedent to receiving Sales and Use Tax Exemption Benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, shall (i) cooperate with the Agency in its efforts to recover or recapture any Sales and Use Tax Exemption Benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 4. Subject to the Company executing the Project Agreement and the delivery to the Agency of a binder, certificate or other evidence of a liability insurance policy for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the undertaking of the Project and hereby appoints the Company as the true and lawful agent of the Agency, pursuant to the provisions of the Project Agreement: (i) to construct, reconstruct, renovate, refurbish and equip the Facility; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the Company's status as agent of the Agency and related sales tax exemption letter shall expire on **September 30, 2018** (unless extended for good cause by the Executive Director or other authorized representative of the Agency).

Section 5. (a) The Chair or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents in the forms acceptable to the Executive Director of the Agency. The execution of the Agency Documents by the Agency shall constitute conclusive evidence of such approval.

(b) The Chair or the Executive Director are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency.

Section 6. The Chair and the Executive Director of the Agency are hereby further authorized, on behalf of the Agency, to execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project and/or finance or re-finance acquisition and Project costs, equipment and other personal property and related transactional costs (the "Lender Documents"; and together, with the Agency Documents, the "Project Documents") and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Project Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chair or the Executive Director of the Agency shall approve, the execution thereof by the Chair or the Executive Director of the Agency to constitute conclusive evidence of such approval; provided, in all events, recourse against the Agency is limited to the Agency's interest in the Project.

Section 7. 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 8. Due to the complex nature of this transaction, the Agency hereby authorizes its Chair or Executive Director to approve, execute and deliver such further agreements, documents and certificates as the Agency may be advised by counsel to the Agency or Transaction Counsel to be necessary or desirable to effectuate the foregoing, such approval to be conclusively evidenced by the execution of any such agreements, documents or certificates by the Chair or the Executive Director of the Agency.

Section 9. These Resolutions shall take effect immediately.

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

	<i>Yea</i>		<i>Nay</i>		<i>Abstain</i>		<i>Absent</i>	
Patrick Hogan	[X	]	[	]	[	]	[	]
Janice Herzog	[X	]	[	]	[	]	[	]
Victor Ianno	[X	]	[	]	[	]	[	]
Susan Stanczyk	[X	]	[	]	[	]	[	]
Kevin Ryan	[X	]	[	]	[	]	[	]
Steve Morgan	[X	]	[	]	[	]	[	]
Fanny Villarreal	[X	]	[	]	[	]	[	]

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STATE OF NEW YORK )

: SS.:

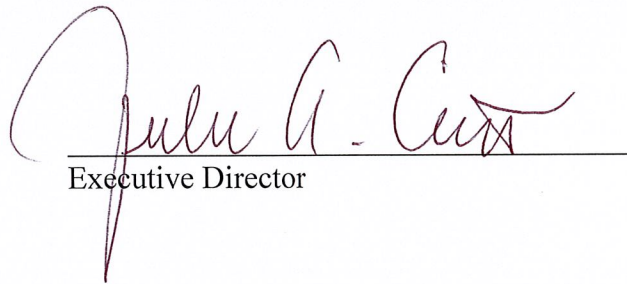
COUNTY OF ONONDAGA )

I, the undersigned Executive Director of the Onondaga County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Onondaga County Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on October 19, 2017, 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 resolutions 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 public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 9 day of ~~October~~ <sup>January</sup> 2018  
~~2017.~~

  
Executive Director