

AMENDED INDUCEMENT RESOLUTION:
Hancock & First, LLC (replacing Ithaca Neighborhood Housing Services, Inc.)
210 Hancock Street (part) & 423 First Street, City of Ithaca

A regular meeting of the Tompkins County Industrial Development Agency was convened on February 11, 2016 at 4:00 p.m.

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

Resolution authorizing the Tompkins County Industrial Development Agency to

(i) take a leasehold interest in real property consisting of a parcel of land to be conveyed to Hancock & First Housing Development Fund Corp. and thence leased to Hancock & First, LLC, which parcel comprises 423 First Street and part of 210 Hancock Street in the City of Ithaca, Tompkins County, New York (currently designated as City of Ithaca tax parcel numbers 35.-3-1 and part of -3), as more particularly described in Exhibit B attached hereto, and improvements to be constructed thereon;

(ii) appoint Hancock & First, LLC as its agent to acquire, construct and equip thereon a new approximately 65,000-square-foot, four-story, mixed-use building containing fifty-four one- and two-bedroom apartments, a community room, a leasing office, a Head Start facility, commercial office space, and covered parking; an approximately 6,600-square-foot building containing five three-bedroom townhouses; a playground; and a pedestrian/bicycle path connecting the site to a larger pedestrian/bicycle network, including the reconstruction of two City streets to eliminate automobile traffic;

(iii) negotiate and execute a lease agreement, leaseback agreement and related payment-in-lieu-of-tax agreement;

(iv) provide financial assistance to Hancock & First, LLC in the form of a partial real property tax abatement through the PILOT Agreement; and

(v) execute related documents.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and § 895-b of the General Municipal Law of the State of New York, as amended (hereinafter collectively called the “Act”), TOMPKINS 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 civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, Hancock & First, LLC (hereinafter called the “Company”), for itself or on behalf of an entity to be formed, desires to acquire, construct and equip upon real property to be leased to the Company at 210 Hancock Street (part) and 423 First Street in the City of Ithaca, Tompkins County, New York (currently designated as City of Ithaca tax parcel numbers 35.-3-3 and -1) (the “Land”) a new approximately 65,000-square-foot, four-story, mixed-use building containing fifty-four one- and two-bedroom apartments,

a community room, a leasing office, a Head Start facility, commercial office space, and covered parking; an approximately 6,600-square-foot building containing five three-bedroom townhouses; a playground; and a pedestrian/bicycle path connecting the site to a larger pedestrian/bicycle network, including the reconstruction of two City streets to eliminate automobile traffic (hereinafter called the “Project”); and

WHEREAS, pursuant to Article 18-A of the General Municipal Law, 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 (i) designate the Company as its agent for the purpose of acquiring, constructing, and equipping the Project, (ii) negotiate and enter into a lease agreement (the “Lease”), leaseback agreement (the “Leaseback Agreement”) and payment-in-lieu-of-tax agreement (the “PILOT Agreement”) with the Company containing the abatement schedule set forth in Exhibit A, (iii) take a leasehold interest in the land and the improvements and personal property constituting the Project (once the Leaseback Agreement and PILOT Agreement have been negotiated), and (iv) provide financial assistance to the Company in the form of a partial real property tax abatement through the PILOT Agreement; and

WHEREAS, pursuant to General Municipal Law Section 859-a, at 4:00 p.m. on September 25, 2015 at the legislative chambers of the County of Tompkins, located in the City of Ithaca at 121 East Court Street, Ithaca, New York, the Agency held a public hearing with respect to the Project and the proposed financial assistance being contemplated by the Agency (the “Public Hearing”) whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views. A copy of the minutes of said Public Hearing is attached hereto as Exhibit C; and

WHEREAS, the City of Ithaca Planning and Development Board on May 26, 2015 issued a negative declaration (the “SEQR Proceedings”) under Article 8 of the Environmental Conservation Law and Regulations adopted pursuant thereto by the Department of Environmental Conservation of the State (collectively, “SEQR”) with respect to the Project. A copy of the negative declaration is attached hereto as Exhibit D; and

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

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company’s application, 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;
- b. It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and equipping the Project;
- c. The Agency has the authority to take the actions contemplated herein under the Act;

- d. The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Tompkins County and otherwise furthering the purposes of the Agency as set forth in the Act;
- e. The Project will not result in the removal of a civic, commercial, industrial, or manufacturing 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 plant or facility 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. Based upon a review of the Company's application and the SEQR Proceedings submitted to the Agency, the Agency hereby:

- a. Consents to and affirms the status of the City of Ithaca Planning and Development Board (the "Planning Board") as Lead Agency within the meaning of, and for all purposes of complying with, SEQR;
- b. Determines that the proceedings undertaken by the Planning Board as Lead Agency under SEQR with respect to the acquisition, construction and equipping of the Facility satisfy the requirements of SEQR, and ratifies and confirms such proceedings by the Planning Board as Lead Agency;
- c. Determines that all of the provisions of SEQR that are required to be complied with as a condition precedent to the approval of the financial assistance contemplated by the Agency with respect to the Project and the participation by the Agency in undertaking the Project have been satisfied.

Section 3. Subject to the Company executing the Agent Agreement attached hereto as Exhibit E and the Inducement Agreement attached hereto as Exhibit F, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and equip the Project; (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 on its own behalf; provided, however, that the Agent Agreement shall expire on **February 28, 2018** (unless extended for good cause by the Administrative Director of the Agency) if the Leaseback Agreement and PILOT Agreement contemplated have not been executed and delivered.

- Section 4. The standard Agency Administrative Fee pursuant to the Mission, Policies and Procedures of the Agency is one percent (1%) of the expenses that are positively impacted by the Agency incentives. The Agency Administrative Fee for this Project shall be a reduced sum of one half of one percent (½%) of the value of construction of improvements to property that is impacted by property tax abatement.
- Section 5. The Chairperson, Vice Chairperson, and/or Administrative Director of the Agency are hereby authorized, on behalf of the Agency, to negotiate and execute (a) the Lease Agreement whereby the Company conveys a leasehold interest in the Project to the Agency, (b) the related Leaseback Agreement leasing the Project back to the Company, and (c) the PILOT Agreement; provided (i) the rental payments under the Leaseback Agreement include payment of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.
- Section 6. The Chairperson, Vice Chairperson and/or Administrative Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any and all documents, in a form acceptable to the Agency's counsel, reasonably contemplated by these resolutions to accomplish building construction, acquisition and installation of equipment and other personal property, and related transactional costs (hereinafter, with the Leaseback Agreement and PILOT Agreement, collectively called the "Agency Documents"); and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairperson, Vice Chairperson, and/or Administrative Director of the Agency shall approve, the execution thereof by the Chairperson, Vice Chairperson, and/or Administrative Director of the Agency to constitute conclusive evidence of such approval; provided in all events that 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. These resolutions shall take effect immediately.

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

<u>Member names</u>	<u>Yea</u>	<u>Nea</u>	<u>Abstain</u>	<u>Absent</u>
James P. Dennis, Chairperson	[]	[]	[]	[]
Martha Robertson, Vice Chairperson	[]	[]	[]	[]
Svante L. Myrick, Secretary	[]	[]	[]	[]
Will Burbank	[]	[]	[]	[]
Grace Chiang	[]	[]	[]	[]
Jennifer Tavares	[]	[]	[]	[]
Richard T. John	[]	[]	[]	[]

The resolutions were thereupon duly adopted.

I, Svante L. Myrick, as Secretary of the Tompkins County Industrial Development Agency, hereby certify that the above is a true and correct copy of a duly authorized resolution of the Tompkins County Industrial Development Agency.

Dated: February _____, 2016

Svante L. Myrick, Secretary of the
Tompkins County Industrial Development Agency

EXHIBIT A

Payment-in-Lieu-of-Tax (“PILOT”) Agreement abatement schedule

- Total annual payment to taxing jurisdictions = 12% of net operating income
- Net operating income = the actual or anticipated income that remains after all operating expenses are deducted from effective gross income, but before mortgage debt service, real estate taxes, and book depreciation are deducted. Income includes both actual rent paid by tenants and any rental subsidies paid by any other institution.

YEAR OF EXEMPTION

1	2016-17 School; 2017 Town & County; 2017 City	
2	2017-18 School; 2018 Town & County; 2018 City	
3	2018-19 School; 2019 Town & County; 2019 City	
4	2019-20 School; 2020 Town & County; 2020 City	
5	2020-21 School; 2021 Town & County; 2021 City	
6	2021-22 School; 2022 Town & County; 2022 City	
7	2022-23 School; 2023 Town & County; 2023 City	
8	2023-24 School; 2024 Town & County; 2024 City	
9	2024-25 School; 2025 Town & County; 2025 City	
10	2025-26 School; 2026 Town & County; 2026 City	
11	2026-27 School; 2027 Town & County; 2027 City	
12	2027-28 School; 2028 Town & County; 2028 City	
13	2028-29 School; 2029 Town & County; 2029 City	
14	2029-30 School; 2030 Town & County; 2030 City	
15	2030-31 School; 2031 Town & County; 2031 City	
16	2031-32 School; 2032 Town & County; 2032 City	
17	2032-33 School; 2033 Town & County; 2033 City	
18	2033-34 School; 2034 Town & County; 2034 City	
19	2034-35 School; 2035 Town & County; 2035 City	
20	2035-36 School; 2036 Town & County; 2036 City	
21	2036-37 School; 2037 Town & County; 2037 City	
22	2037-38 School; 2038 Town & County; 2038 City	
23	2038-39 School; 2039 Town & County; 2039 City	
24	2039-40 School; 2040 Town & County; 2040 City	
25	2040-41 School; 2041 Town & County; 2041 City	
26	2041-42 School; 2042 Town & County; 2042 City	
27	2042-43 School; 2043 Town & County; 2043 City	
28	2043-44 School; 2044 Town & County; 2044 City	
29	2044-45 School; 2045 Town & County; 2045 City	
30	2045-46 School; 2046 Town & County; 2046 City	
31	Thereafter	no abatement, full taxes paid

EXHIBIT B

Legal description of premises

ALL THAT TRACT OR PARCEL OF LAND situate in the City of Ithaca, County of Tompkins, State of New York, being bounded and described as follows:

BEGINNING at a point marking the present intersection of the south line of Adams Street with the east line of First Street;

thence North 58 degrees 54 minutes 09 seconds East, in part along the south line of Adams Street, a distance of 269.03 feet to a point marked by an iron pipe;

thence South 30 degrees 45 minutes 51 seconds East along the west line of Lake Avenue a distance of 163.43 feet to a point;

thence South 59 degrees 00 minutes 06 seconds West a distance of 101.84 feet to a point;

thence South 30 degrees 53 minutes 50 seconds East a distance of 163.38 feet to a point;

thence South 59 degrees 05 minutes 09 seconds West along the north line of Hancock Street a distance of 166.24 feet to a point marked by a p.k. nail;

thence North 59 degrees 05 minutes 59 seconds West along the east line of First Street a distance of 326.10 feet to the point of beginning, containing 1.631 acres of land.

SUBJECT TO covenants, restrictions, easements and encumbrances of record.

The above-described premises are SHOWN ON a survey map entitled "Subdivision Map, No. 210 Hancock Street and 423 First Street, City of Ithaca, Tompkins County, New York," dated November 24, 2015, prepared by T.G. Miller, P.C., Engineers and Surveyors, Ithaca, New York.

EXHIBIT C

Minutes of Public Hearing

EXHIBIT D

Negative Declaration (SEQR)

EXHIBIT E

Agent Agreement

EXHIBIT F

Inducement Agreement