

**PILOT DEVIATION NOTICE RESOLUTION
REGENERON PHARMACEUTICALS, INC. PARKING GARAGE PROJECT**

A regular meeting of Rensselaer County Industrial Development Agency (the "Agency") was convened in public session at the Quackenbush Building located at 32 3rd Street, 3rd Floor Conference Room, City of Troy, Rensselaer County, New York on August 11, 2016 at 4:00 o'clock p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

John H. Clinton, Jr.	Chairman
Sandra Brown	Vice Chairman
Ronald Bounds	Assistant Secretary/Treasurer
Douglas Baldrey	Member
James Church	Member

ABSENT:

Cynthia A. Henninger	Secretary/Treasurer
Michael Della Rocco	Member

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Robert L. Pasinella, Jr.	Executive Director
Robin LaBrake	Assistant
Peter R. Kehoe, Esq.	Agency Counsel
George W. Cregg, Jr., Esq.	Special Counsel

The following resolution was offered by Sandra Brown, seconded by Douglas Baldrey, to wit:

Resolution No. 0816-08

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO SEND A LETTER TO THE CHIEF EXECUTIVE OFFICERS OF THE AFFECTED TAXING ENTITIES INFORMING THEM OF A PROPOSED DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED REGENERON PHARMACEUTICALS, INC. PARKING GARAGE PROJECT.

WHEREAS, Rensselaer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 128 of the 1974 Laws of New York, as amended, constituting Section 903-d of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring,

constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Regeneron Pharmaceuticals, Inc., a New York business corporation (the “Company”), has submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately 8.74 acre parcel of land located at 25 Discovery Drive in the Town of East Greenbush, Rensselaer County, New York (tax map no. 155.-1-4.22) (the “Land”), (2) the construction on the Land of an approximately 199,108 square foot, 618 parking space parking garage (the “Facility”) and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”), all of the foregoing to constitute a parking garage for the existing pharmaceutical manufacturing facility (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”); (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on August 11, 2016 (the “SEQR Resolution”), the Agency (A) concurred in the determination by the Town of East Greenbush Planning Board (the “Planning Board”) to act as “lead agency” with respect to the Project and (B) indicated that the Agency had no information to suggest that the Planning Board was incorrect in issuing a negative declaration (the “Negative Declaration”) determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA; and

WHEREAS, in connection with the Application, the Company has made a request to the Agency (the “Pilot Request”) to deviate from the its uniform tax exemption policy (the “Policy”) with respect to the payments to be made under a payment in lieu of tax agreement by and between the Agency and the Company (the “Proposed Pilot Agreement”); and

WHEREAS, pursuant to the Pilot Request, the Proposed Pilot Agreement would be for a term of 10 years with a fixed payment each year during the 10-year term, as more particularly described in Exhibit A attached hereto; and

WHEREAS, the Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: the Company would have the benefit of a 50% abatement in real property taxes on the Facility and any portion of the Equipment assessable as real

property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") in year one of the payment in lieu of tax agreement with a five percent per year increase over the term of the ten year payment in lieu of tax agreement; and

WHEREAS, pursuant to Section 874(4) of the Act and the Agency's Policy, prior to taking final action on such request for a deviation from the Agency's Policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project Facility is located (collectively, the "Affected Tax Jurisdictions") no fewer than thirty (30) days prior written notice of the proposed deviation from the Agency's Policy and the reasons therefor; and

WHEREAS, pursuant to Section 856(15) of the Act, unless otherwise agreed by the Affected Tax Jurisdictions, payments in lieu of taxes must be allocated among the Affected Tax Jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each Affected Tax Jurisdiction had the Project Facility not been tax exempt due to the status of the Agency;

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

Section 1. Having considered the Pilot Request, the Agency hereby authorizes the Executive Director of the Agency to send a written notice to the chief executive officers of each of the Affected Tax Jurisdictions informing them that the Agency is considering a proposed deviation from its uniform tax exemption policy with respect to the Project and the reasons therefore, and soliciting any comments that such Affected Tax Jurisdictions may have with respect to said proposed deviation.

Section 2. This Resolution 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:

John H. Clinton, Jr.	VOTING	YES
Sandra Brown	VOTING	YES
Cynthia A. Henninger	VOTING	YES
Ronald Bounds	VOTING	ABSENT
Douglas Baldrey	VOTING	YES
James Church	VOTING	YES
Michael Della Rocco	VOTING	ABSENT

The foregoing Resolution was thereupon declared duly adopted.


STATE OF NEW YORK)
) SS.:
COUNTY OF RENSSELAER)

I, the undersigned (Assistant) Secretary of Rensselaer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on August 11, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 11th day of August, 2016.



(Assistant) Secretary

(SEAL)

EXHIBIT A
PROPOSED FORM OF PILOT DEVIATION

- SEE ATTACHED -

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"):

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	0	0	0
Year 1	\$ 380,557	\$ 278,789	\$ (101,767)
Year 2	\$ 389,408	\$ 292,729	\$ (96,679)
Year 3	\$ 398,701	\$ 307,365	\$ (91,336)
Year 4	\$ 408,460	\$ 322,733	\$ (85,726)
Year 5	\$ 418,706	\$ 338,870	\$ (79,836)
Year 6	\$ 429,464	\$ 355,814	\$ (73,651)
Year 7	\$ 440,751	\$ 373,604	\$ (67,157)
Year 8	\$ 452,622	\$ 392,285	\$ (60,338)
Year 9	\$ 465,077	\$ 411,899	\$ (53,178)
Year 10	\$ 478,154	\$ 432,494	\$ (45,660)

Note: Existing Real Property Taxes consists of the existing payment structure associated with 25 Discovery Drive which already has an IDA Exemption in place PLUS the projected property taxes that would be associated with the parking garage without an IDA Exemption.

New Pilot Payments consists of the existing payment structure associated with 25 Discovery Drive which already has an IDA Exemption in place PLUS the projected payments associated with the parking garage WITH IDA Exemption.