

**RESOLUTION AUTHORIZING REFINANCING
HUDSON V APARTMENTS LLC PROJECT**

A regular meeting of Rensselaer County Industrial Development Agency (the "Agency") was convened in public session in the 3rd Floor Conference Room at the Quackenbush Building located at 333 Broadway in the City of Troy, Rensselaer County, New York on June 8, 2017 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
Cynthia A. Henninger	Secretary/Treasurer
Ronald Bounds	Assistant Secretary/Treasurer
Douglas Baldrey	Member
James Church	Member
Michael Della Rocco	Member
Renee Powell	Member

ABSENT:

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 Cynthia Henninger, seconded by Ronald Bounds, to wit:

Resolution No. 0617-05

RESOLUTION AUTHORIZING THE EXECUTION BY RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN MORTGAGE AND RELATED DOCUMENTS IN CONNECTION WITH THE HUDSON V APARTMENTS LLC PROJECT.

WHEREAS, Rensselaer County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of 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, and

commercial 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, on May 31, 2013 (the “Closing”), the Agency granted certain financial assistance to Hudson V Apartments LLC (the “Company”) to assist in financing a project (the “Project”) consisting of the following: (A) (1) the acquisition of an interest in a portion of an approximately 10 acre parcel of land located at the intersection of Morrison and Stow Avenues (currently being Tax Map # 111.84-6-1.2) in the City of Troy, Rensselaer County, New York (the “Land”), (2) the construction on the Land of five (5) buildings containing in the aggregate approximately 165,000 square feet of space with associated parking (collectively, the “Facility”) and (3) the acquisition and installation therein and thereon of certain machinery and equipment, including but not limited to, furniture and fixtures (collectively the “Equipment”) to constitute an approximately 120 unit multi-family housing facility and other directly or indirectly related activities (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 property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease of the Project Facility to the Company pursuant to the terms of a lease agreement dated as of May 1, 2013 (the “Lease Agreement”) by and between the Company and the Agency; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement, the Company executed and delivered to the Agency (A) a certain lease to agency dated as of May 1, 2013 (the “Lease to Agency”) by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company leased to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the “Premises”) for a lease term ending on December 31, 2024; (B) a certain license agreement dated as of May 1, 2013 (the “License to Agency” or the “License Agreement”) by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company granted to the Agency (1) a license to enter upon the balance of the Land (the “Licensed Premises”) for the purpose of undertaking and completing the Project and (2) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement (as hereinafter defined); (C) a payment in lieu of tax agreement dated as of May 1, 2013 (the “Payment in Lieu of Tax Agreement”) by and between the Agency and the Company, pursuant to which the Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility; and (D) a bill of sale dated as of May 1, 2013 (the “Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Company in the Equipment; and

WHEREAS, in order to finance a portion of the costs of the Project, the Company obtained a loan in the principal sum of up to \$12,000,000 (the “Loan”) from First Niagara Bank, N.A. (the “Original Lender”), which Loan was secured by (1) a mortgage and security agreement dated as of May 1, 2013 (the “Mortgage”) from the Agency and the Company to the Original Lender and (2) an assignment of rents and leases dated as of May 1, 2013 (the “Assignment of Rents”) from the Agency and the Company to the Original Lender; and

WHEREAS, in March, 2016, the Company obtained additional financing for the build-out and additional capital improvements with a loan in the maximum amount of \$1,393,973 (the "Second Loan") from the Original Lender, which Second Loan was secured by (A) a second mortgage dated as of the date of the closing on the Second Loan (the "Second Mortgage") from the Company and the Agency to the Original Lender and (B) an assignment of leases and rents dated as of the date of the closing on the Second Loan (the "Second Assignment of Rents") from the Agency and the Company to the Original Lender; and

WHEREAS, by correspondence dated June 1, 2017 (the "Request"), which Request is attached hereto as Exhibit A, the Agency was informed that the Company intends to refinance the Loan and the Second Loan pursuant to a loan in the approximate amount of \$11,875,000 (the "Refinanced Loan") from KeyBank National Association ("KeyBank"), which Refinanced Loan will be secured by a mortgage (the "Refinanced Mortgage") from the Agency and the Company to KeyBank and certain other additional loan documents (collectively, with the Refinanced Mortgage, the "Refinanced Loan Documents"); 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Request; and

WHEREAS, pursuant to SEQRA, the Agency has examined the Request in order to make a determination as to whether the Request is subject to SEQRA, and it appears that the Request constitutes a Type II action under SEQRA;

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

Section 1. Based upon an examination of the Request, the Agency hereby makes the following determinations:

(A) The Request constitutes a "Type II action" pursuant to 6 NYCRR 617.5(c)(23), and therefore that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Request.

(B) That the value of the mortgage recording tax exemption relating to the Request will not exceed \$100,000.

(C) That since compliance by the Agency with the Request will not result in the Agency providing more than \$100,000 of "financial assistance" (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Request.

Section 2. Subject to (A) approval of the form of the Refinanced Loan Documents, by Special Agency counsel and (B) receipt by the Executive Director of (1) the Agency's administrative fee relating to the Request, if any, and (2) counsel's fees relating to the Request, the Agency hereby authorizes (a) the execution by the Agency of the Refinanced Loan Documents and (b) the execution and delivery by the Agency of an affidavit of exemption from mortgage recording taxes with respect to the Refinanced Loan Documents.

Section 3. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chairman (or Vice Chairman) of the Agency is hereby authorized to execute and deliver the Refinanced Loan Documents to the Company, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. 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 or provided for by the provisions of the Refinanced Loan Documents, and to execute and deliver all such additional 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 Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Refinanced Loan Documents binding upon the Agency.

Section 5. 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
Cynthia A. Henninger	VOTING	YES
Ronald Bounds	VOTING	YES
Douglas Baldrey	VOTING	YES
James Church	VOTING	YES
Michael Della Rocco	VOTING	YES
Renee Powell	VOTING	YES

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 extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 8, 2017 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of such proceedings of the Agency and of such Resolution set forth therein 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 8th day of June, 2017.

Cynthia A. Henninger
(~~Assistant~~) Secretary

(SEAL)

EXHIBIT A
REQUEST
- SEE ATTACHED -

Zappone & Fiore

L A W F I R M

6 Century Hill Drive
Latham, New York 12110
Tel: (518) 783-2600; Fax: (518) 252-3498

Patrick C. Fiore

Of Counsel
Joseph W. Zappone

June 1, 2017

Via Email Only rpasinella@renesco.com
Rensselaer County Industrial Development Agency
1600 Seventh Avenue
Troy, New York 121180
Attn.: Bob Pasinella, Director

**Re: Summit Apartments, Troy, New York
Hudson V Apartments, LLC**

Dear Mr. Pasinella:

I represent Hudson V Apartments, LLC in the proposed refinance of Summit Apartments in Troy, New York.

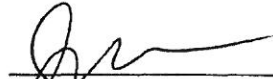
Enclosed herewith, please find correspondence from my client with regard to this matter.

Please have this matter placed on the agenda for June 8, 2017.

Thank you for your anticipated cooperation in this matter. If you have any questions or concerns, please contact my office.

With all due respect,

ZAPPONE & FIORE LAW FIRM



Joseph W. Zappone
Attorney and Counselor at Law

JWZ/pcg
Cc: File
Nadene Zeigler, Esq. via email only



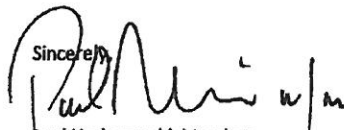
May 30, 2017
Rensselaer County Industrial Development Agency
1600 Seventh Avenue
Troy, NY 12180

Nadene E. Ziegler, Partner
Hodgson Russ LLP
677 Broadway, Suite 301
Albany, NY 12207

RE: Summit Apartments, Troy, New York
Hudson V Apartments, LLC

Dear Rensselaer County IDA,
Please accept this letter as notice that Hudson V Apartments, LLC seeks to refinance the referenced loan. We kindly ask to be placed on the June 8th, 2017 agenda of Rensselaer County IDA to seek approval of the same.

If anything additional is needed please feel free to contact Paul Nichols, our representative at 518-640-4071 or via email at pnichols@paragonprimefunding.com.

Sincerely,

Paul Hodorowski, Member
Hudson V Apartments, LLC

Zeigler, Nadene

From: Zeigler, Nadene
Sent: Thursday, June 1, 2017 5:16 PM
To: 'Paul Nichols'
Cc: pamgeorge@zapponelaw.com; Joe Zappone, Esq.; rpsinella@rensco.com; LaBrake, Robin (RLaBrake@rensco.com)
Subject: RE: Summit Apartments, Troy, New York-Hudson V

Thank you.



A Future Inspired by Our Legacy

Nadene E. Zeigler

Partner
Hodgson Russ LLP

Tel: 518.433.2420 | Fax: 866.505.9238

677 Broadway, Suite 301 | Albany, NY 12207 | Tel: 518.465.2333 | [map](#)

[Twitter](#) | [LinkedIn](#) | [website](#) | [Bio](#) | [e-mail](#) | [vCard](#)

From: Paul Nichols [<mailto:PNichols@ParagonPrimeFunding.com>]

Sent: Thursday, June 1, 2017 5:08 PM

To: Zeigler, Nadene <NZeigler@hodgsonruss.com>

Cc: pamgeorge@zapponelaw.com; Joe Zappone, Esq. <jjzappone@zapponelaw.com>; rpsinella@rensco.com; LaBrake, Robin (RLaBrake@rensco.com) <RLaBrake@rensco.com>

Subject: RE: Summit Apartments, Troy, New York-Hudson V

Freddie Mac (via Key Bank)



Paul Nichols

President

Licensed Real Estate Broker

10 Osgood Avenue

Green Island, NY 12183

www.paragonprimefunding.com

www.paragonresidential.com

518-640-4071 (o)

518-269-2858 (c)

From: Zeigler, Nadene [<mailto:NZeigler@hodgsonruss.com>]

Sent: Thursday, June 01, 2017 5:06 PM

To: Paul Nichols <PNichols@ParagonPrimeFunding.com>
Cc: pamgeorge@zapponelaw.com; Joe Zappone, Esq. <jzappone@zapponelaw.com>; rpasinella@renesco.com; LaBrake, Robin (RLaBrake@renesco.com) <RLaBrake@renesco.com>
Subject: RE: Summit Apartments, Troy, New York-Hudson V

Thank you. And the lender?



A Future Inspired by Our Legacy

Nadene E. Zeigler

Partner

Hodgson Russ LLP

Tel: 518.433.2420 | Fax: 866.505.9238

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From: Paul Nichols [<mailto:PNichols@ParagonPrimeFunding.com>]

Sent: Thursday, June 1, 2017 5:02 PM

To: Zeigler, Nadene <NZeigler@hodgsonruss.com>

Cc: pamgeorge@zapponelaw.com; Joe Zappone, Esq. <jzappone@zapponelaw.com>; rpasinella@renesco.com; LaBrake, Robin (RLaBrake@renesco.com) <RLaBrake@renesco.com>

Subject: Re: Summit Apartments, Troy, New York-Hudson V

The exact amount has not been set yet but projected to be 11,750,000. Reasons include extended amortization and to lock in the rate for a longer period of time.

Sent from my iPhone

Sent from my iPhone

On Jun 1, 2017, at 4:55 PM, Zeigler, Nadene <NZeigler@hodgsonruss.com> wrote:

Good afternoon:

With respect to your request to refinance the existing loan, the initial loan was in the amount of \$12,000,000. The second loan was in the amount of \$1,393,973. Please provide me with the amount of the refinanced loan and the reasons for the refinancing.

Thank you.

<image001.png>

Nadene E. Zeigler

Partner

Hodgson Russ LLP

Tel: 518.433.2420 | Fax: 866.505.9238

677 Broadway, Suite 301 | Albany, NY 12207 | Tel: 518.465.2333 | [map](#)

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From: Pam George [mailto:pamgeorge@zapponelaw.com]
Sent: Thursday, June 1, 2017 3:38 PM
To: rpsinella@rensko.com
Cc: Zeigler, Nadene <NZeigler@hodgsonruss.com>; Joe Zappone, Esq. <jzappone@zapponelaw.com>
Subject: RE: Summit Apartments, Troy, New York
Importance: High

Resending. Please advise if the attachments comes through this time.

Thank you
Pam

Pamela George, Paralegal
518-480-9760 phone
518-252-3498 fax

From: Pam George [mailto:pamgeorge@zapponelaw.com]
Sent: Thursday, June 01, 2017 1:52 PM
To: 'rpsinella@rensko.com'
Cc: 'nzeigler@hodgsonruss.com'; Joe Zappone, Esq. (jzappone@zapponelaw.com)
Subject: Summit Apartments, Troy, New York
Importance: High

Mr. Pasinello:

Please see the attached letter with enclosure with regard to the above matter.

Thank you

For Joseph W. Zappone, Esq.
By Pamela George, Paralegal
518-480-9760 phone
518-252-3498 fax

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