

**PILOT DEVIATION NOTICE RESOLUTION
SCANNELL PROPERTIES #262, LLC**

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 July 19, 2018 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
Michael Della Rocco	Vice Chairman
Cynthia A. Henninger	Secretary/Treasurer
Ronald Bounds	Assistant Secretary/Treasurer
Douglas Baldrey	Member
James Church	Member

ABSENT:

Renee Powell	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Robert L. Pasinella, Jr.	Executive Director
Robin LaBrake	Assistant
M. Cornelia Cahill, Esq.	Special Counsel

The following resolution was offered by Michael Della Rocco, seconded by Cynthia Henninger, to wit:

Resolution No. 0718-6

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 SCANNELL PROPERTIES #262, LLC 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, Scannell Properties #262, LLC, an Indiana limited liability company (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 requests 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 approximately 116.1 acres of land located on U.S. Route 9 (tax map no. 200.-6-1.3) and 1696 Hill Crest Avenue (tax map no. 200.-6-22.1) in the Town of Schodack, Rensselaer County, New York (the “Land”) and the existing building located thereon, (2) the construction of an approximately 1,015,740 square foot building distribution facility and related parking (the “Facility”), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”), such Project Facility to be leased to a third party for use as a sales distribution 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, the Agency’s Uniform Tax Exemption Policy (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, in connection with the Application, the Company made a request to the Agency (the “PILOT Request”) that the Agency deviate from its Policy with respect to real property tax payments, said proposed deviation as outlined in the schedule attached hereto as Exhibit A-1; and

WHEREAS, by resolution adopted by the members of the Agency on June 14, 2018 (the “Original Deviation Resolution”), the Agency authorized 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 the Policy with respect to the Project and the reasons therefor, and soliciting any comments that such Affected Tax Jurisdictions may have with respect to said proposed deviation; and

WHEREAS, the Company has revised its request to the Agency that the Agency deviate from its Policy with respect to real property tax payments, said revised proposed deviation as outlined in the schedule attached hereto as Exhibit A-2; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such PILOT 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 is located (collectively, the “Affected Tax Jurisdictions”) prior written notice of the proposed deviation from the Agency’s uniform tax exemption policy and the reasons therefore; 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”), the Town of Schodack Planning Board is acting as lead agency for purposes of conducting a coordinated review of the Project for SEQRA purposes;

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

Section 1. Having considered both the Application and the Revised 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 the Policy with respect to the Project and the reasons therefor, 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	AYE
Michael Della Rocco	VOTING	AYE
Cynthia A. Henninger	VOTING	AYE
Ronald Bounds	VOTING	AYE
Douglas Baldrey	VOTING	AYE
James Church	VOTING	AYE
Renee Powell	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 June 14, 2018 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 14th day of June, 2018.


Secretary

(SEAL)

Exhibit A-1
Original PILOT Request

Fixed Assessment for the term of the PILOT Agreement: \$55,000,000

Construction period: 100% of Normal Taxes on the Land

Year Following Completion of Construction	Percent of Normal Taxes on the Land	Percent of Normal Taxes on the Improvements *
1	100%	50%
2	100	50
3	100	50
4	100	50
5	100	50
6	100	50
7	100	50
8	100	50
9	100	50
10	100	50

* Normal Taxes will be calculated during the term of the PILOT Agreement using a Fixed Assessment of \$55,000,000.

Exhibit A-2
Revised PILOT Request

Fixed Assessment for the term of the PILOT Agreement: \$55,000,000

Construction period: 100% of Normal Taxes on the Land

Year Following Completion of Construction	Percent of Normal Taxes on the Land	Percent of Normal Taxes on the Improvements [*]
1	100%	40%
2	100	40
3	100	40
4	100	40
5	100	40
6	100	40
7	100	40
8	100	40
9	100	40
10	100	40

^{*} Normal Taxes will be calculated during the term of the PILOT Agreement using a Fixed Assessment of \$55,000,000.