

**APPROVING RESOLUTION
PSR HOLDINGS TWO, LLC**

A regular meeting of Rensselaer County Industrial Development Agency (the “Agency”) was convened in public session, remotely by conference call or similar service pursuant to the New York State Executive Order 202.1 (as amended and extended), on May 13, 2021 at 4:00 o’clock p.m., local time.

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

PRESENT:

- | | |
|----------------------|---------------------|
| Cynthia A. Henninger | Chair |
| Michael Della Rocco | Vice Chair |
| Ronald Bounds | Secretary/Treasurer |
| Douglas Baldrey | Member |
| Renee Powell | Member |

ABSENT:

- | | |
|----------------------|--------|
| John H. Clinton, Jr. | Member |
|----------------------|--------|

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

- | | |
|--------------------------|---------------------------|
| Robert L. Pasinella, Jr. | Executive Director |
| Robin LaBrake | Assistant to the Director |
| John E. Sweeney, Esq. | Agency Counsel |
| Melissa C. Bennett, Esq. | Special Counsel |

The following resolution was offered by Douglas Baldrey, seconded by Ronald Bounds, to wit:

Resolution No. 0521-6

RESOLUTION AUTHORIZING THE EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR PSR HOLDINGS TWO, LLC AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

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, PSR Holdings Two, LLC, a New York limited liability company (the “Company”), submitted an application (the “Original Application”) to the Agency, requesting 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 0.48 acre parcel of land located at 1040 Broadway (tax map no. 144.37-8-19) in the City of Rensselaer, Rensselaer County, New York (the “Land”), (2) the construction on the Land of an approximately 15,000 square foot building consisting of approximately 15 market rate apartments, together with related amenities and improvements (collectively, 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”), all of the foregoing to constitute a residential facility and associated uses and other directly and indirectly related activities; (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, mortgage recording taxes (subject to statutory limitations), real property taxes and real estate transfer taxes (collectively, the “Original 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 a standardized method for the determination of payments in lieu of taxes for a facility similar to the Project Facility; and

WHEREAS, in connection with the Original Application, the Company made a request to the Agency (the “Original PILOT Request”) that the Agency deviate from its Policy with respect to real property tax payments; and

WHEREAS, by resolution adopted by the members of the Agency on April 9, 2020 (the “Original Public Hearing/Deviation Process Resolution”), the Agency authorized a public hearing with respect to the Project to be held pursuant to Section 859-a of the Act and the deviation process with respect to the proposed payment in lieu of tax agreement to be followed in compliance with the provisions of Section 874-b of the Act and the Policy; and

WHEREAS, pursuant to the authorization contained in the Original Public Hearing/Deviation Process Resolution, the Executive Director of the Agency (A) caused notice of a Public Hearing of the Agency (the “Original Public Hearing”) pursuant to Section 859-a of

the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on April 22, 2020 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is located, (B) caused notice of the Original Public Hearing to be posted on April 22, 2020 on the Agency's website, (C) caused notice of the Original Public Hearing to be published on April 23, 2020 in The Record, a newspaper of general circulation available to the residents of the County of Rensselaer, New York and the City of Rensselaer, Rensselaer County, New York, (D) conducted the Original Public Hearing on May 7, 2020 at 10:00 a.m., by telephone conference pursuant to Executive Order 202.1 (as amended and extended), and (E) prepared a report of the Original Public Hearing (the "Original Public Hearing Report") fairly summarizing the views presented at such Original Public Hearing and caused copies of said Original Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to the authorization contained in the Original Public Hearing/Deviation Process Resolution, the Executive Director of the Agency caused a letter dated May 1, 2020 (the "Original PILOT Deviation Letter") to be mailed to the chief executive officers of each Affected Tax Jurisdiction (as that term is defined in Section 854(16) of the Act), informing said individuals that the Agency would, at its meeting on May 14, 2020, consider a proposed deviation from the Policy with respect to the payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility and the reasons for said proposed deviation; and

WHEREAS, the Company requested that the Agency consider an amendment to the Original Application (the Original Application as so amended, the "Amended Application"), a copy of which Amended Application is on file at the office of the Agency, that contemplates additional financial assistance to the Company in the form of increased real property tax exemption benefits (the "Additional Financial Assistance" and together with the Original Financial Assistance, the "Amended Original Financial Assistance"), as more specifically set forth in the Amended Application; and

WHEREAS, in connection with the Amended Application, the Company made a request to the Agency (the "Amended PILOT Request") that the Agency deviate from its Policy with respect to real property tax payments; and

WHEREAS, the terms of the proposed payment in lieu of tax agreement deviated from the Agency's Policy; and

WHEREAS, by resolution adopted by the members of the Agency on February 11, 2021 (the "Amended Application, Public Hearing and Deviation Process Resolution"), the Agency considered the Amended Application and authorized a public hearing with respect to the Amended Original Financial Assistance to be held pursuant to Section 859-a of the Act and the deviation process with respect to the amended proposed payment in lieu of tax agreement to be followed in compliance with the provisions of Section 874-b of the Act and the Policy; and

WHEREAS, in compliance with the provisions of Section 859-a of the Act, the Amended Application, Public Hearing and Deviation Process Resolution indicated that the undertakings of the Agency contained therein are contingent upon the Agency making a determination to proceed

with the Amended Original Financial Assistance for the Project following compliance by the Agency with the public notice and public hearing requirements set forth in Section 859-a of the Act; and

WHEREAS, pursuant to the authorization contained in the Amended Application, Public Hearing and Deviation Process Resolution, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the “Additional Public Hearing” and together with the Original Public Hearing, the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the Amended Original Financial Assistance being contemplated by the Agency with respect to the Project, to be mailed on February 24, 2021 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is located, (B) caused notice of the Additional Public Hearing to be posted on February 24, 2021 on the Agency’s website, (C) caused notice of the Additional Public Hearing to be published on February 25, 2021 in The Record, a newspaper of general circulation available to the residents of the County of Rensselaer, New York and the City of Rensselaer, Rensselaer County, New York, (D) conducted the Additional Public Hearing on March 9, 2021 at 9:00 a.m., by telephone conference pursuant to Executive Order 202.1 (as amended and extended), and (E) prepared a report of the Additional Public Hearing (the “Additional Public Hearing Report” and together with the Original Public Hearing Report, the “Public Hearing Report”) fairly summarizing the views presented at such Additional Public Hearing and caused copies of said Additional Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, the Company rescinded its request to the Agency for financial assistance in the form of real property tax exemption benefits (the Amended Original Financial Assistance as so modified, the “Financial Assistance”) and provided an updated application to the Agency (the Amended Application as so amended, the “Application”), a copy of which Application is on file at the office of the Agency; and

WHEREAS, the requirements of 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 being 6 NYCRR Part 617, as amended (the “Regulations collectively with the SEQR Act, “SEQRA”) applicable to the Project have been complied with; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in Rensselaer County, New York and (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

WHEREAS, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Rensselaer County, New York by undertaking the Project in Rensselaer County, New York; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents (hereinafter collectively referred to as the "Agency Documents"): (A) a certain lease to agency (the "Lease to Agency" or the "Underlying Lease") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency the Land and all improvements now or hereafter located on the Land; (B) a lease agreement (and a memorandum thereof) (the "Lease Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency's administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (C) a uniform project benefits agreement (the "Uniform Project Benefits Agreement") by and between the Agency and the Company regarding the granting of the financial assistance and the potential recapture of such assistance that complies with the requirements of Section 859-a(6) of the Act; (D) a certain recapture agreement (the "Section 875 GML Recapture Agreement") by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (E) a New York State Department of Taxation and Finance form entitled "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (the form required to be filed pursuant to Section 874(9) of the Act) (the "Thirty-Day Sales Tax Report") and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the "Additional Thirty-Day Project Report"); (F) if the Company intends to finance the Project with borrowed money, a mortgage and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lender(s) with respect to the Project (the "Lender"), which Mortgage will grant a lien on and security interest in the Project Facility to secure a loan from the Lender to the Company with respect to the Project (the "Loan"); and (G) various certificates relating to the Project (the "Closing Documents"); and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement, the Company will execute and deliver to the Agency one or more bills of sale to agency from the Company to the Agency pursuant to which the Company will sell to the Agency the Equipment; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement, the Agency will file with the State Department of Taxation and Finance the Thirty-Day Sales Tax Reports and provide a copy of the Thirty-Day Sales Tax Report to the Company; and

WHEREAS, for purposes of exemption from New York State (the "State") sales and use taxation as part of the Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight;

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

Section 1. All action taken by the Executive Director of the Agency with respect to the Public Hearing with respect to the Project is hereby ratified and confirmed.

Section 2. The Agency, based upon the representations made by the Company to the Agency in the Application, 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) The Project constitutes a “project,” as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of Rensselaer County, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$2,266,263;

(E) The completion of the Project Facility will not result in the removal of a plant or facility of the proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of a plant or facility of the proposed occupant of the Project Facility located in the State;

(F) (1) The Project Facility does not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project, and accordingly the Project is not prohibited by the provisions of Section 862(2)(a) of the Act, and (2) accordingly the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act;

(G) The Project should receive the Financial Assistance in the form of exemptions from certain sales and use taxes, real estate transfer taxes and mortgage recording taxes based on the description of expected public benefits to occur as a result of this Project, as described on Exhibit A attached hereto and failure by the Company to meet the expected public benefits will result in a recapture event, as described on Exhibit B attached hereto; and

(H) It is desirable and in the public interest for the Agency to enter into the Agency Documents.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (A) accept the Lease to Agency; (B) lease the Project Facility to the Company pursuant to the Lease Agreement; (C) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, installed and constructed; (D) enter into the Uniform Project Benefits Agreement;

(E) enter into the Section 875 GML Recapture Agreement; (F) secure the Loan by entering into the Mortgage; and (G) grant the Financial Assistance with respect to the Project.

Section 4. The Agency is hereby authorized (A) to acquire a leasehold interest in the Land and the improvements pursuant to the Underlying Lease, (B) to acquire title to the Equipment pursuant to a bill of sale from the Company to the Agency, and (C) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

Section 5. The Agency is hereby authorized to acquire, construct and install the Project Facility as described in the Agency Documents, to appoint the Company as agent of the Agency to undertake such acquisition, construction and installation of the Project Facility as described in the Agency Documents, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition, construction and installation are hereby ratified, confirmed and approved.

Section 6. The Chair (or Vice Chair) of the Agency, with the assistance of Agency Counsel and/or Special Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 7. (A) The Chair (or Vice Chair) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, 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 the forms thereof as the Chair (or Vice Chair) shall approve, the execution thereof by the Chair (or Vice Chair) to constitute conclusive evidence of such approval.

(B) The Chair (or Vice Chair) of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 8. The Agency shall maintain records of the amount of State and local sales and use tax exemption benefits provided to the Project and each agent or Project operator and shall make such records available to the State Commissioner of Taxation and Finance (the "Commissioner") upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company's receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its agents and/or operators to make, all records and information regarding State and local sales and use tax exemption benefits available to the Agency upon request.

Section 9. The terms and conditions of subdivision 3 of Section 875 of the Act are herein incorporated by reference and the Company shall agree to such terms as a condition precedent to receiving or benefiting from an exemption from New York State sales and use taxes.

Section 10. 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 Agency 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 Agency Documents binding upon the Agency.

Section 11. Notwithstanding anything herein to the contrary, the amount of State and local sales and use tax exemption benefit comprising the Financial Assistance approved herein shall not exceed **\$60,000 and shall last no longer than two years from the execution and delivery of the Agency Documents.** The Agency may consider any request by the Company for increases 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 12. Notwithstanding anything herein to the contrary, the amount of mortgage recording tax exemption benefit comprising the Financial Assistance approved herein shall not exceed **\$17,899.**

Section 13. 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:

Cynthia A. Henninger	VOTING	AYE
Michael Della Rocco	VOTING	AYE
Ronald Bounds	VOTING	AYE
Douglas Baldrey	VOTING	AYE
John H. Clinton, Jr.	VOTING	ABSENT
Renee Powell	VOTING	AYE

The foregoing Resolution was thereupon declared duly adopted.


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

I, the undersigned 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 May 13, 2021 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"), as modified by New York State Executive Order 202.1 (as amended and extended), 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 13th day of May, 2021.


Secretary

(SEAL)

EXHIBIT A

DESCRIPTION OF THE EXPECTED PUBLIC BENEFITS

In the discussions had between the Project Beneficiary and the Agency with respect to the Project Beneficiary's request for Financial Assistance from the Agency with respect to the Project, the Project Beneficiary has represented to the Agency that the Project is expected to provide the following benefits to the Agency and/or to the residents of Rensselaer County, New York (the "Public Benefits"):

Description of Benefit		Applicable to Project (indicate Yes or No)		Expected Benefit
1.	Creation of new permanent jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	1 full time equivalent new job at the Project Facility within 1 year of the completion date.
2.	Creation of construction employment for local labor (i.e., labor resident in the area comprised of the Capital District Region)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Average 54 full time equivalent construction jobs at the Project Facility for local labor during an estimated construction period of 12 months, commencing within 4 months of the date hereof.
3.	Private sector investment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	\$2,266,263 at the Project Facility within 2 years of the date hereof.
4.	Creation of new revenues for local taxing jurisdictions	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	A maximum of \$128,177 of new revenues for local taxing jurisdictions with respect to the Project Facility within 10 years of the date hereof.
5.	Attract customers from outside the Economic Development Region	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Quantify by (% or number of customers, or % or amount of sales): __% Within __ years of the date hereof.
6.	Provide infrastructure necessary to support existing businesses or proposed businesses	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Describe: Existing urban infrastructure.
7.	Other (describe): _____	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Describe: _____

EXHIBIT B

DESCRIPTION OF THE RECAPTURE EVENTS

In connection with the Project and the granting of the Financial Assistance, the Agency and the Project Beneficiary agree that the following shall constitute recapture events with respect to the Project and the granting of the Financial Assistance:

1. Failure of the Project Beneficiary to document to the satisfaction of the Agency the commencement of the acquisition, construction, reconstruction, renovation, and/or installation of the Project Facility within 6 months of the date hereof.
2. Failure of the Project Beneficiary to document to the satisfaction of the Agency the completion of the acquisition, construction, reconstruction, renovation, and/or installation of the Project Facility within 1.5 years of the date hereof.
3. Failure by the Project Beneficiary to document to the satisfaction of the Agency the creation of at least 75% of the average full time equivalent local labor construction jobs at the Project Facility during the construction period described on **Exhibit B** attached hereto.
4. Failure by the Project Beneficiary to document to the satisfaction of the Agency the creation of at least 90% of the full time equivalent new jobs at the Project Facility listed on **Exhibit B** attached hereto within 2 years of the date hereof.
5. Failure by the Project Beneficiary to document to the satisfaction of the Agency that at least 90% of the private sector investment described on **Exhibit B** attached hereto occurred with respect to the Project Facility within 2 years of the date hereof.
6. Failure by the Project Beneficiary to document to the satisfaction of the Agency that the Project provided the other Public Benefits described on **Exhibit B** attached hereto within the time frames assigned to such benefits.
7. Liquidation of substantially all of the Project Beneficiary's operating assets at the Project Facility.
8. Sale, lease or other disposition of all or substantially all of the Project Facility.
9. Failure by the Project Beneficiary to comply with the annual reporting requirements or to provide the Agency with requested information.
10. Sublease (other than in the ordinary course of business) or assignment of all or part of the Project Facility in violation of any Agency Documents.
11. A change in the use of the Project Facility, other than as described on **Exhibit B** and other directly and indirectly related uses, in violation of any Agency Documents.