

**CONSENT TO SALE OF MEMBERSHIP INTERESTS;
PUBLIC HEARING AND
DEVIATION PROCESS RESOLUTION
PSR HOLDINGS TWO, LLC**

A regular meeting of Rensselaer County Industrial Development 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 September 9, 2021 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:

Cynthia A. Henninger	Chairman
Michael Della Rocco	Vice Chairman
Ronald Bounds	Secretary/Treasurer
John H. Clinton, Jr.	Member
Douglas Baldrey	Member
Renee Powell	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Robert L. Pasinella, Jr.	Executive Director
Robin LaBrake	Assistant to the Director
John E. Sweeney, Esq.	Agency Counsel
M. Cornelia Cahill, Esq.	Special Counsel

The following resolution was offered by Michael Della Rocco, seconded by Ronald Bounds, to wit:

Resolution No. 0921-4

RESOLUTION WITH RESPECT TO CONSENT TO THE SALE OF THE MEMBERSHIP INTERESTS OF PSR HOLDINGS TWO, LLC AND AUTHORIZING THE EXECUTIVE DIRECTOR OF THE RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING AND TO COORDINATE THE DEVIATION PROCESS IN CONNECTION WITH A REQUEST FOR ADDITIONAL FINANCIAL ASSISTANCE.

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, pursuant to a final approving resolution duly adopted on May 13, 2021, the Agency approved undertaking a project (the "Project") on behalf of PSR Holdings Two, LLC, a New York limited liability company (the "Company") 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) and real estate transfer 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, in connection with the Project and the granting of the Financial Assistance, the Agency will enter into the following documents with the Company (hereinafter collectively referred to as the "Project Documents"): (A) a certain underlying lease dated as of September 1, 2021 by and between the Company and the Agency, pursuant to which, among other things, the Agency will acquire a leasehold interest in the Land and the improvements now or hereafter located on the Land from the Company, (B) a memorandum of underlying lease dated as of September 1, 2021, (C) a lease agreement dated as of September 1, 2021 (the "Lease Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company will agree to undertake and complete the Project as agent of the Agency and the Company further will agree 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, (D) a memorandum of lease agreement dated as of September 1, 2021, (E) a Section 875 GML Recapture Agreement dated as of September 1,

2021 by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes, and (F) a Uniform Project Benefits Agreement dated as of September 1, 2021 by and between the Agency and the Company, which sets forth the terms and conditions under which Financial Assistance shall be provided to the Company; and

WHEREAS, at the time the Company will enter into the Project Documents, the Company's sole member is Todd Drake (the "Original Membership Owner"), as provided in the application submitted with respect to the Project; and

WHEREAS, on or about September 8, 2021, the Agency received notice from the Company that, pursuant to a Limited Liability Company Membership Purchase Agreement, dated July 9, 2021, among the Original Membership Owner and Paul Bonacquisti and John Bonacquisti (collectively, the "New Membership Owners") the Original Membership Owner intends to sell, transfer and deliver and each New Membership Owner intend to purchase and accept 50% of the membership interests in the Company, such that the New Membership Owners will hold 100% of the membership interests in the Company; and

WHEREAS, the New Membership Owners answered the Agency's questions regarding the New Membership Owners and the impact of the proposed change in ownership on the Project and the Financial Assistance previously granted by the Agency to the Company; and

WHEREAS, pursuant to Section 9.1 of the Lease Agreement the Company has requested that the Agency consent to the proposed change in the ownership of the membership interest in the Company, which the Agency may do in its sole and absolute discretion; 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 Project had been subject to an environmental review pursuant to the requirements of the SEQR Act and the regulations thereunder, resulting in the issuance of a Negative Declaration by the Agency by resolution dated May 13, 2021 (the "SEQRA Resolution"); and

WHEREAS, pursuant to the SEQR Act, the Agency must determine the potential environmental significance of the grant of approval of the change in ownership of the membership interests of the Company; and

WHEREAS, the New Membership Owners have requested that the Agency approve additional financial assistance to the Company in the forms of (1) an increase in the originally approved mortgage recording tax exemption and sales and use tax exemption, and (2) real property tax exemption benefits (collectively, the "Additional Financial Assistance") and enter into a payment in lieu of tax agreement (the "Proposed PILOT Agreement"); and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any "financial assistance" (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, if the Agency were to approve the grant of the Additional Financial Assistance to the Company and the execution and delivery of the Proposed PILOT Agreement and any necessary amendments to the Project Documents, the Agency will be providing additional financial assistance in excess of \$100,000, therefore, pursuant to Section 859-a of the Act, prior to the Agency approving the Additional Financial Assistance and the execution and delivery of the Proposed PILOT Agreement, the Agency, among other things, is required to hold a public hearing; and

WHEREAS, approval by the Agency of the grant of the Additional Financial Assistance to the Company and the execution and delivery of the Proposed PILOT Agreement, would be a deviation from the Agency's uniform tax exemption policy (the "UTEP"); and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation of the Agency's UTEP, 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") prior written notice of the proposed deviation from the Agency's UTEP and the reasons therefor; and

WHEREAS, the Agency desires to comply with the public hearing and notice requirements contained in Section 859-a of the Act and the procedure and notice requirements for a deviation from the UTEP with respect to the grant of the Additional Financial Assistance and the Proposed PILOT Agreement contained in Section 874 of the Act and the UTEP;

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

Section 1. Based upon the representations made by the Company to the Agency, the Agency makes the following findings and determinations:

(A) The Project constitutes a "project" within the meaning of the Act; and

(B) The proposed change in ownership of the membership interests of the Company does not constitute a significant change from the original Project that was reviewed under the SEQRA Resolution and therefore no further or additional review under SEQRA is required; and

(C) The change in ownership of the membership interests of the Company is not a material change and does not require a change in the Financial Assistance previously approved by the Agency.

Section 2. The Agency hereby approves of the change in ownership in the membership interests of the Company and reaffirms the approval of the grant of the Financial Assistance to the Company.

Section 3. The Agency hereby authorizes the Executive Director of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, place and date for a public hearing of the Agency to hear all persons interested in the Additional Financial Assistance being contemplated by the Agency, said public hearing to be held, as appropriate, in the city, town or village where the Project Facility is or is to be located; (B) to

cause notice of such public hearing to be given to the public by publishing a notice of such hearing in a newspaper of general circulation to available to the residents of the governmental units where the Project Facility is or is to be located, such notice to comply with the requirements of Section 859-a of the Act; (C) to cause notice of said public hearing to be given to the chief executive officer of the county and each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such public hearing; and (E) to cause a report of said public hearing fairly summarizing the views presented at said public hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency.

Section 4. The Agency hereby further authorizes the Executive Director of the Agency to (A) establish a time, date and place for a meeting of the Agency to consider the approval by the Members of the Agency of the Proposed PILOT Agreement; and (B) cause notice of said meeting to be given to the chief executive officer of the county and each city, town, village and school district in which the Project Facility is located, such notice or notices to comply with the requirements of Section 874 of the Act and the UTEP.

Section 5. The Chairman, Vice Chairman and/or Executive Director of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 6. 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	YES
Michael Della Rocco	VOTING	YES
Ronald Bounds	VOTING	YES
Douglas Baldrey	VOTING	YES
Renee Powell	VOTING	YES
John H. Clinton, Jr.	VOTING	ABSENT

The foregoing Resolution was thereupon declared duly adopted.

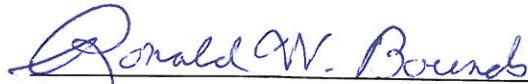
STATE OF NEW YORK)
) SS.:
COUNTY OF RENSSELAER)

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 September 9, 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") 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 9th day of September, 2021.


Secretary

(SEAL)