


# *Tompkins County Industrial Development Agency*

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Administration provided by 

## **TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY BOARD OF DIRECTORS SPECIAL MEETING**

• Friday, September 25, 2015 •

**4:00 PM**

**Legislative Chambers  
Governor Daniel D. Tompkins Building  
121 E. Court Street, Ithaca NY**

### **AGENDA**

**1. CALL TO ORDER**

**2. PUBLIC HEARINGS**

209-215 Dryden Associates, LLC  
Ithaca Neighborhood Housing Services, Inc. (210 Hancock Street)

**3. BUSINESS**

***209-215 Dryden Associates, LLC Final Approval***

Amended and Updated Application  
Inducement Resolution  
Public Hearing Notice  
Negative Declaration of SEQR  
Agent Agreement  
Inducement Agreement

***Ithaca Neighborhood Housing Services, Inc. (210 Hancock Street) Final Approval***

Inducement Resolution  
Public Hearing Notice  
Negative Declaration of SEQR  
Agent Agreement  
Inducement Agreement

***Black Oak Wind Farm Transfer of Ownership***

**4. ADJOURNMENT**

**Next Meeting: October 8, 2015**

**INDUCEMENT RESOLUTION:  
209-215 Dryden Associates, LLC  
209-211, 213, & 215 Dryden Road & 240 Linden Avenue, City of Ithaca**

A special meeting of the Tompkins County Industrial Development Agency was convened on September 25, 2015 at 4:00 p.m.

The following resolution was duly offered and seconded, to wit:

**Resolution authorizing the Tompkins County Industrial Development Agency to**

**(i) take a leasehold interest in real property consisting of four parcels of land to be acquired by 209-215 Dryden Associates, LLC and located at 209-211, 213, and 215 Dryden Road and 240 Linden Avenue in the City of Ithaca, Tompkins County, New York (currently designated as City of Ithaca tax parcel numbers 64.-10-3, -4, -5, and -6), and improvements to be constructed thereon;**

**(ii) appoint 209-215 Dryden Associates, LLC as its agent to acquire, construct and equip thereon a new approximately 73,000-square-foot, six-story building to be leased to Cornell University to house its Johnson School of Management Executive Education Program;**

**(iii) negotiate and execute a lease agreement, leaseback agreement and related payment-in-lieu-of-tax agreement;**

**(iv) provide financial assistance to 209-215 Dryden Associates, LLC in the form of:**

**(a) a sales tax exemption for purchases and rentals related to the acquisition, construction and equipping of the project,**

**(b) a partial real property tax abatement through the PILOT Agreement, and**

**(c) a mortgage tax exemption for the financing related to the project; and**

**(v) execute related documents.**

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and § 895-b of the General Municipal Law of the State of New York, as amended (hereinafter collectively called the "Act"), TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY (hereinafter called the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, 209-215 Dryden Associates, LLC (hereinafter called the "Company"), for itself or on behalf of an entity to be formed, desires to acquire, construct and equip upon real property to be acquired by the Company at 209-211, 213, and 215 Dryden Road and 240 Linden Avenue in the City of Ithaca, Tompkins County, New York (currently designated as City of Ithaca tax parcel numbers 64.-10-3, -4, -5, and -6) (the

“Land”) an approximately 73,000-square-foot, six-story building to be leased to Cornell University to house its Johnson School of Management Executive Education Program (hereinafter called the “Project”); and

WHEREAS, pursuant to Article 18-A of the General Municipal Law, the Agency desires to adopt a resolution describing the Project and the financial assistance that the Agency is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of acquiring, constructing, and equipping the Project, (ii) negotiate and enter into a lease agreement (the “Lease”), leaseback agreement (the “Leaseback Agreement”) and payment-in-lieu-of-tax agreement (the “PILOT Agreement”) with the Company containing the abatement schedule set forth in Exhibit A, (iii) take a leasehold interest in the land and the improvements and personal property constituting the Project (once the Leaseback Agreement and PILOT Agreement have been negotiated), and (iv) provide financial assistance to the Company in the form of (a) a sales and use tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Project, (b) a partial real property tax abatement through the PILOT Agreement, and (c) a mortgage tax exemption for the financing related to the Project; and

WHEREAS, pursuant to General Municipal Law Section 859-a, at 4:00 p.m. on September 25, 2015 at the Legislative Chambers of the County of Tompkins, located in the City of Ithaca at 121 East Court Street, Ithaca, New York, the Agency held a public hearing with respect to the Project and the proposed financial assistance being contemplated by the Agency (the “Public Hearing”) whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views. A copy of the minutes of said Public Hearing is attached hereto as Exhibit B; and

WHEREAS, the City of Ithaca Planning and Development Board on August 25, 2015 issued a negative declaration (the “SEQR Proceedings”) under Article 8 of the Environmental Conservation Law and Regulations adopted pursuant thereto by the Department of Environmental Conservation of the State (collectively, “SEQR”) with respect to the Project. A copy of the negative declaration is attached hereto as Exhibit C; and

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

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company’s application, the Agency 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. It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and equipping the Project;
- c. The Agency has the authority to take the actions contemplated herein under the Act;

- d. The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Tompkins County and otherwise furthering the purposes of the Agency as set forth in the Act;
- e. The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the “State”) to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State, and the Agency hereby finds that, based on the Company’s application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries;

Section 2. Based upon a review of the Company’s application and the SEQR Proceedings submitted to the Agency, the Agency hereby:

- a. Consents to and affirms the status of the City of Ithaca Planning and Development Board (the “Planning Board”) as Lead Agency within the meaning of, and for all purposes of complying with, SEQR;
- b. Determines that the proceedings undertaken by the Planning Board as Lead Agency under SEQR with respect to the acquisition, construction and equipping of the Facility satisfy the requirements of SEQR, and ratifies and confirms such proceedings by the Planning Board as Lead Agency;
- c. Determines that all of the provisions of SEQR that are required to be complied with as a condition precedent to the approval of the financial assistance contemplated by the Agency with respect to the Project and the participation by the Agency in undertaking the Project have been satisfied.

Section 3. Based upon the representations and warranties made by the Company in its application for financial assistance, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to **\$25,200,000**, which result in New York State and local sales and use tax exemption benefits (“sales and use tax exemption benefits”) not to exceed **\$2,016,000**. The Agency agrees to consider any requests by the Company for increase 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 4. Pursuant to Section 875(3) of the New York General Municipal Law, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use

tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project. As a condition precedent of receiving sales and use tax exemption benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 5. Subject to the Company executing the Agent Agreement attached hereto as Exhibit D and the Inducement Agreement attached hereto as Exhibit E, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting on its own behalf; provided, however, that the Agent Agreement shall expire on **October 31, 2017** (unless extended for good cause by the Administrative Director of the Agency) if the Leaseback Agreement and PILOT Agreement contemplated have not been executed and delivered.

Section 6. The Chairperson, Vice Chairperson and/or Secretary of the Agency are hereby authorized, on behalf of the Agency, to negotiate and execute (a) the Lease Agreement whereby the Company conveys a leasehold interest in the Project to the Agency, (b) the related Leaseback Agreement leasing the Project back to the Company, and (c) the PILOT Agreement; provided (i) the rental payments under the Leaseback Agreement include payment of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 7. The Chairperson, Vice Chairperson and/or Secretary of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any and all documents, in a form acceptable to the Agency's counsel, reasonably contemplated by these resolutions to accomplish building construction, acquisition and installation of equipment and other personal property, and related transactional costs (hereinafter, with the Leaseback Agreement and PILOT Agreement, collectively called the "Agency Documents"); and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairperson, Vice Chairperson and/or Secretary of the Agency shall approve,

the execution thereof by the Chairperson, Vice Chairperson and/or Secretary of the Agency to constitute conclusive evidence of such approval; provided in all events that recourse against the Agency is limited to the Agency's interest in the Project.

Section 8. 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 and to execute and deliver all such 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 resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 9. These resolutions shall take effect immediately.

The question of the adoption of the foregoing resolutions was duly put to a vote by roll call, which resulted as follows:

<u>Member names</u>	<u>Yea</u>	<u>Nea</u>	<u>Abstain</u>	<u>Absent</u>
Jim Dennis, Chairperson	[ ]	[ ]	[ ]	[ ]
Svante L. Myrick	[ ]	[ ]	[ ]	[ ]
Will Burbank	[ ]	[ ]	[ ]	[ ]
Nathan Shinagawa	[ ]	[ ]	[ ]	[ ]
Grace Chiang	[ ]	[ ]	[ ]	[ ]
Martha Robertson	[ ]	[ ]	[ ]	[ ]
Jennifer Tavares	[ ]	[ ]	[ ]	[ ]

The resolutions were thereupon duly adopted.

I, Svante L. Myrick, as Secretary of the Tompkins County Industrial Development Agency, hereby certify that the above is a true and correct copy of a duly authorized resolution of the Tompkins County Industrial Development Agency.

Dated: September \_\_\_\_\_, 2015

\_\_\_\_\_  
Svante L. Myrick, Secretary of the  
Tompkins County Industrial Development Agency

## EXHIBIT A

### Payment-in-Lieu-of-Tax (“PILOT”) Agreement abatement schedule

- fifty-year fixed payment structure
- first year’s payment based on 2015 assessed value and 2014/15 tax rates
- second year’s payment 2% increase over first year’s payment
- beginning in year 3, payment based on 2015 tax rates and aggregate value, including land, of \$5,200,000
- payments increase by 2% each year after year 3

<u>YEAR OF EXEMPTION</u>	<u>TOTAL ANNUAL PAYMENT TO TAXING JURISDICTIONS IN LIEU OF TAX</u>
1 2016-17 School; 2017 County; 2017 City	\$ 39,473
2 2017-18 School; 2018 County; 2018 City	\$ 40,262
3 2018-19 School; 2019 County; 2019 City	\$ 205,337
4 2019-20 School; 2020 County; 2020 City	\$ 209,444
5 2020-21 School; 2021 County; 2021 City	\$ 213,633
6 2021-22 School; 2022 County; 2022 City	\$ 217,905
7 2022-23 School; 2023 County; 2023 City	\$ 222,263
8 2023-24 School; 2024 County; 2024 City	\$ 226,709
9 2024-25 School; 2025 County; 2025 City	\$ 231,243
10 2025-26 School; 2026 County; 2026 City	\$ 235,868
11 2026-27 School; 2027 County; 2027 City	\$ 240,585
12 2027-28 School; 2028 County; 2028 City	\$ 245,397
13 2028-29 School; 2029 County; 2029 City	\$ 250,305
14 2029-30 School; 2030 County; 2030 City	\$ 255,311
15 2030-31 School; 2031 County; 2031 City	\$ 260,417
16 2031-32 School; 2032 County; 2032 City	\$ 265,625
17 2032-33 School; 2033 County; 2033 City	\$ 270,938
18 2033-34 School; 2034 County; 2034 City	\$ 276,357
19 2034-35 School; 2035 County; 2035 City	\$ 281,884
20 2035-36 School; 2036 County; 2036 City	\$ 287,521
21 2036-37 School; 2037 County; 2037 City	\$ 293,272
22 2037-38 School; 2038 County; 2038 City	\$ 299,137
23 2038-39 School; 2039 County; 2039 City	\$ 305,120
24 2039-40 School; 2040 County; 2040 City	\$ 311,222
25 2040-41 School; 2041 County; 2041 City	\$ 317,447
26 2041-42 School; 2042 County; 2042 City	\$ 323,796
27 2042-43 School; 2043 County; 2043 City	\$ 330,272
28 2043-44 School; 2044 County; 2044 City	\$ 336,877
29 2044-45 School; 2045 County; 2045 City	\$ 343,615
30 2045-46 School; 2046 County; 2046 City	\$ 350,487

31	2046-47 School; 2047 County; 2047 City	\$ 357,497
32	2047-48 School; 2048 County; 2048 City	\$ 364,647
33	2048-49 School; 2049 County; 2049 City	\$ 371,940
34	2049-50 School; 2050 County; 2050 City	\$ 379,378
35	2050-51 School; 2051 County; 2051 City	\$ 386,966
36	2051-52 School; 2052 County; 2053 City	\$ 394,705
37	2052-53 School; 2053 County; 2053 City	\$ 402,599
38	2053-54 School; 2054 County; 2054 City	\$ 410,651
39	2054-55 School; 2055 County; 2055 City	\$ 418,864
40	2055-56 School; 2056 County; 2056 City	\$ 427,242
41	2056-57 School; 2057 County; 2057 City	\$ 435,786
42	2057-58 School; 2058 County; 2058 City	\$ 444,502
43	2058-59 School; 2059 County; 2059 City	\$ 453,392
44	2059-60 School; 2060 County; 2060 City	\$ 462,460
45	2060-61 School; 2061 County; 2061 City	\$ 471,709
46	2061-62 School; 2062 County; 2062 City	\$ 481,143
47	2062-63 School; 2063 County; 2063 City	\$ 490,766
48	2063-64 School; 2064 County; 2064 City	\$ 500,582
49	2064-65 School; 2065 County; 2065 City	\$ 510,593
50	2065-66 School; 2066 County; 2066 City	\$ 520,805
51	Thereafter	no PILOT agreement



## NOTICE OF PUBLIC HEARING ON PROPOSED FINANCING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to §859-a of the New York General Municipal Law will be held by the Tompkins County Industrial Development Agency (the "IDA") on the **25<sup>th</sup>** day of **September, 2015**, at **4:00 p.m.** at the **Tompkins County Legislative Chambers**, 121 East Court Street in the City of Ithaca, New York, in connection with the following matter:

209-215 Dryden Associates, LLC (the "Company"), a Delaware limited liability company, its successors or designees, has requested that the IDA provide financial assistance for the following project: to construct, furnish, and equip upon real property to be acquired by the Company at 209-11, 213, and 215 Dryden Road and 240 Linden Avenue (tax parcel numbers 64.-10-3, -4, -5, and -6) in the City of Ithaca, County of Tompkins ("the Property") a new approximately 73,000-square-foot, 6-story-tall building to be leased to Cornell University to house its Johnson School of Management Executive Education Program ("the Improvements"); the Property and Improvements are collectively referred to as "the Facility."

The financial assistance contemplated by the IDA will consist generally of exemption from taxation expected to be claimed by the Company as a result of the IDA taking title to, possession or control (by lease, license or otherwise) of the Facility, or of the Company acting as an agent of the IDA, consisting of: (a) exemption from state and local sales and use tax with respect to the qualifying personal property portion of the Facility; (b) exemption from real estate transfer tax with respect to the transfer of the Facility or a portion thereof to the IDA; (c) exemption from mortgage recording tax with respect to any qualifying mortgage on the Facility, which exemption shall be offset, in part, by contractual payment in lieu of a portion of the mortgage recording tax; and (d) exemption from general real property taxation with respect to the Facility, which exemption shall be offset, in whole or in part, by contractual payments in lieu of taxes ("PILOT" payments) by the Company for the benefit of tax affected jurisdictions. The proposed exemption from real property taxation deviates from the IDA's Uniform Tax Exemption Policy.

In accordance with §875(3) of the New York General Municipal Law, and if the Company's application is approved, any New York State and local sales and use tax exemption claimed by the Company and approved by the Agency in connection with the above-described project may be subject to recapture by the Agency under the terms and conditions set forth in §875(3) and as will be set forth in the Agent Agreement to be entered into by and between the Agency and the Company.

Members of the public are invited to review the project application containing an analysis of the costs and benefits of the proposed project at the offices of TCAD (401 East State/MLK Jr. Street, Suite 402B, Ithaca, New York) during regular business hours.

The IDA will, at the above-stated time and place, hear all persons with views in favor of or opposed to either the location or nature of the Project, or the proposed financial assistance being contemplated by the IDA. In addition, at, or prior to, such hearing, interested parties may submit to the IDA written materials pertaining to such matters.

A report of the hearing will be made available to the Tompkins County Industrial Development Agency Board of Directors. Approval of the financing by the IDA through its Board of Directors is necessary.

Dated: September 10, 2015

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**ADOPTED RESOLUTION  
CEQR-Neg Dec**

**City of Ithaca Planning & Development Board  
Educational Building  
209-215 Dryden Rd.  
August 25, 2015**

**WHEREAS:** the City of Ithaca Planning and Development Board has one pending application for Site Plan Approval for a six-story educational building to located at 209-215 Dryden Road by Trowbridge Wolf Michaels for 209-215 Dryden Associates, LLC, and

**WHEREAS:** the applicant proposes to build a six-story/80-foot tall education and office building on the 12,301-SF project site. The building will house the Cornell Johnson School of Management Executive Education Program, which will be a tenant of the building; so the building and site will therefore remain a taxable property. The building will include classrooms, meeting rooms, staff and faculty offices, and a large atrium for public assembly and to provide street-level active use. The building is in the MU-2 Zoning District and project requires variances for compliance with district regulations. The project has received Design Review, and

**WHEREAS:** this is a Type I Action under the City of Ithaca Environmental Quality Review Ordinance (“CEQRO”), §176-4 B. (1)(n), and the State Environmental Quality Review Act (“SEQRA”), §617.4 (6.)(11), and is subject to environmental review, and

**WHEREAS:** it has been requested that the Tompkins County Industrial Development Agency (IDA), a potentially involved agency, consent to the City of Ithaca Planning and Development Board being Lead Agency for this project, and

**WHEREAS:** the IDA did, by not responding to the request within 30 days, consent to the City of Ithaca Planning and Development Board being Lead Agency for this project, and

**WHEREAS:** the City of Ithaca Planning and Development Board, being the local agency which has primary responsibility for approving and funding or carrying out the action, did on July 28, 2015 declare itself Lead Agency for the environmental review, and

**WHEREAS:** the Planning Board, acting as Lead Agency in environmental review, did on August 25, 2015 review and accept as adequate: a Full Environmental Assessment Form (FEAF), Part 1, submitted by the applicant, and Parts 2 and 3, prepared by Planning staff and revised by the Planning Board; and the following drawings: “Topographic Map No. 209-215 Dryden Road, No. 238-240 Linden Avenue” dated 7-2-15 and “Site Demolition Plan (C101),” “Site Utility Plan (C102),” “Erosion and Sediment Control Plan (C103),” dated 7-30-15 and all prepared by T.G. Miller PC; “Site Plan Materials and Grading (L3.01),” “Planting Plan Schedule and Details (L401),” “Site Pavement, Curb and Site Amenity Details (L5.0),” “Site Planter Details (L5.02),” dated 8-12-15 and prepared by Trowbridge Wolf Michaels; and “Interior: 1<sup>st</sup> 3<sup>rd</sup> Floors + lower level,” “Interior: Upper 3 floors: Offices,” “Untitled Twilight Rendering,” “Elevation: north,” “Elevation: east,” “Elevation: south,” “Elevation: west,” “Views (four sheets),” and “Interior: Atrium: Stairs” (three sheets) dated 8-18-15 and prepared by ikon5 architects; and other application materials, and

**WHEREAS:** the City of Ithaca Conservation Advisory Council, Tompkins County Planning Department, and other interested parties have been given the opportunity to comment on the proposed project and any received comments have been considered, and

**WHEREAS:** The Lead Agency hopes that the burial of underground utilities and rebuilding of the sidewalk will be an opportunity to implement streetscape improvements as recommended in the 2009 Collegetown Urban Plan & Conceptual Design Guidelines, which states both the sidewalks on the 200 block of Dryden Road be widened substantially by moving the curbs and removing on-street parking on at least one side of the street, *now, therefore, be it*

**RESOLVED:** that the City of Ithaca Planning and Development Board determines the proposed project will result in no significant impact on the environment and a Negative Declaration for purposes of Article 8 of the Environmental Conservation Law be filed in accordance with the provisions of Part 617 of the State Environmental Quality Review Act.

Moved by: Jones-Rounds

Seconded by: Lewis

In Favor: Blalock, Darling, Elliot, Jones-Rounds, Lewis, Randall, Schroeder

Against: 0

Abstain: 0

Absent: 0

Vacancies: 0

## AGENT AGREEMENT

THIS AGREEMENT is made as of the \_\_\_\_ day of September, 2015, by and between the TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, having its offices at 401 East State Street, Suite 402B, Ithaca, New York 14850 (the "Agency") and 209-215 DRYDEN ASSOCIATES, LLC, a limited liability company duly formed and validly existing pursuant to the laws of the State of Delaware and authorized to do business in the State of New York, with a business address of 15 Thornwood Drive, P.O. Box 4860, Ithaca, New York 14852-4860 (the "Company").

### WITNESSETH:

WHEREAS, the Agency was created by Section 895 of the General Municipal Law of the State of New York pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company desires to acquire, construct and equip upon real property to be acquired by the Company at 209-211, 213, and 215 Dryden Road and 240 Linden Avenue in the City of Ithaca, Tompkins County, New York (currently designated as City of Ithaca tax parcel numbers 64.-10-3, -4, -5, and -6) (the "Land") an approximately 73,000-square-foot, six-story building to be leased to Cornell University to house its Johnson School of Management Executive Education Program (hereinafter called the "Project"); and

WHEREAS, by Resolution dated September 25, 2015 (the "Resolution"), the Agency authorized the Company to act as its agent for the purposes of acquiring, constructing and equipping the Project as set forth above, subject to the Company entering into this Agent Agreement; and

NOW, THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

1. Scope of Agency. The Company hereby agrees to limit its activities as agent for the Agency under the authority of the Resolution to acts reasonably related to the acquisition, construction and equipping of the Project. The right of the Company to act as agent of the Agency shall expire on **October 31, 2017**, unless extended as contemplated by the Resolution.
2. Representations and Covenants of the Company. The Company makes the following representations and covenants in order to induce the Agency to proceed with the Project:
  - a. The Company is a limited liability company duly formed and validly existing under the laws of the State of Delaware and authorized to do business in the State of New York, has the authority to enter into this Agreement, and has duly authorized the execution and delivery of this Agreement.
  - b. Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the provisions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Company is a party or by which it is bound, or will constitute a default under any of the foregoing, or result in the creation or

imposition of any lien of any nature upon any of the property of the Company under the terms of any such instrument or agreement.

- c. The Project and the operation thereof will conform with all applicable zoning, planning, building and environmental laws and regulations of governmental authorities having jurisdiction over the Project, and the Company shall defend, indemnify and hold the Agency harmless from any liability or expenses resulting from any failure by the Company to comply with the provisions of this subsection.
- d. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or, to the knowledge of the Company, threatened against or affecting the Company, to which the Company is a party, in which an adverse result would in any way diminish or adversely impact on the Company's ability to fulfill its obligations under this Agreement.
- e. The Company covenants that the Project will comply in all respects with all environmental laws and regulations, and, except in compliance with environmental laws and regulations, (i) that no pollutants, contaminants, solid wastes, or toxic or hazardous substances will be stored, treated, generated, disposed of, or allowed to exist at the Project except in compliance with all material applicable laws, (ii) the Company will take all reasonable and prudent steps to prevent an unlawful release of hazardous substances at the Project or onto any other property, (iii) that no asbestos will be incorporated into or disposed of at the Project; (iv) that no underground storage tanks will be located at the Project, and (v) that no investigation, order, agreement, notice, demand or settlement with respect to any of the above is threatened, anticipated, or in existence. The Company, upon receiving any information or notice contrary to the representations contained in this section, shall immediately notify the Agency in writing with full details regarding the same. The Company hereby releases the Agency from liability with respect to, and agrees to defend, indemnify, and hold harmless the Agency, its executive director, directors, members, officers, employees, agents, representatives, successors and assigns from and against any and all claims, demands, damages, costs, orders, liabilities, penalties, and expenses (including reasonable attorney's fees) related in any way to any violation of the covenants or failure to be accurate of the representations contained in this section. In the event the Agency in its reasonable discretion deems it necessary to perform due diligence with respect to any of the above, or to have an environmental audit performed with respect to the Project, the Company agrees to pay the expenses of same to the Agency upon demand, and agrees that upon failure to do so, its obligation for such expenses shall be deemed to be additional rent.
- f. In accordance with Section 875(3) of the New York General Municipal Law, the Company covenants and agrees that, if it receives New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") from the Agency, and it is determined that: (i) the Company is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the Company; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the sales and use tax exemption benefits are taken in cases where the Company fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project, then the Company will (i) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such

amounts to the Agency that the Agency demands in connection therewith. The Company further understands and agrees that in the event that the Company fails to pay over such amounts to the Agency, the New York State Tax Commissioner may assess and determine New York State and local sales and use taxes due from the Company, together with any relevant penalties and interest due on such amounts.

g. The Company further covenants and agrees that the purchase of goods and services relating to the Project and subject to New York State and local sales and use taxes are estimated in amount up to **\$25,200,000**, and, therefore, the value of the sales and use tax exemption benefits authorized and approved by the Agency cannot exceed **\$2,016,000**.

3. Contracts & Employment. The Agency encourages the Company to use an open bidding process for construction contracts; to give opportunities for employment in the construction of the Project to persons residing in Tompkins County, New York; and to award contracts for work in connection with the Project to eligible business concerns which are located in, or owned in substantial part by persons residing in, Tompkins County, New York.

4. Hold Harmless Provision. The Company hereby releases the Agency from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency and its executive director, directors, officers, members, employees, agents (except the Company), representatives, successors and assigns harmless from and against any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project or arising by reason of or in connection with the occupation or the use thereof or the presence on, in or about the Project or breach by the Company of this Agreement or (ii) liability arising from or expense incurred by the Agency's financing, rehabilitating, renovation, equipping, owning and leasing of the Project, including without limitation the generality of the foregoing, all causes of action and reasonable attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency, or any of its respective members, directors, officers, agents or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability, except that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Agency or any other person or entity to be indemnified.

5. Insurance Required. Effective as of the date hereof and until the Agency consents in writing to a termination, the Company shall maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type paying, as the same become due and payable, all premiums in respect thereto, including, but not necessarily limited to:

a. (i) Insurance against loss or damage by fire, lightning and other casualties, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the Project, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Company or (ii) as an alternative to the above requirements (including the requirements of periodic appraisal), the Company may insure the Project under a blanket insurance policy or policies covering not only the Project but other properties as well.

- b. Worker's compensation insurance, disability benefits insurance, and each other form of insurance which the Agency or the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company who are located at or assigned to the Project.
  - c. Insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from personal injury and death or damage to the property of others caused by any accident or occurrence on account of personal injury, including death resulting therefrom, and \$1,000,000 per accident or occurrence on account of damage to the property of others, excluding liability imposed upon the Company by any applicable worker's compensation law; and a blanket excess liability policy in the amount not less than \$3,000,000, protecting the Company against any loss or liability or damage for personal injury or property damage.
6. Additional Provisions Respecting Insurance.
- a. All insurance required by Section 4(a) hereof shall name the Agency as a named insured and all other insurance required by Section 4 shall name the Agency as an additional insured. All insurance shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the Company and authorized to write such insurance in the State of New York. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the Company is engaged. All policies evidencing such insurance shall provide for (i) payment of the losses of the Company and the Agency as their respective interests may appear, and (ii) at least thirty (30) days' prior written notice of the cancellation thereof to the Company and the Agency.
  - b. All such policies of insurance, or a certificate or certificates of the insurers that such insurance is in force and effect, shall be deposited with the Agency prior to the commencement of the Project. Prior to expiration of any such policy, the Company shall furnish the Agency evidence that the policy has been renewed or replaced or is no longer required by this Agreement.
7. Errors and Omissions; Compliance. In consideration for the assistance provided to the Company by the Agency, the Company agrees, if requested by Agency, to fully cooperate and execute and/or re-execute any document that should have been signed at or before the closing of the transaction described in this Agreement, or a corrected or modified version of any such documents, where the document was inadvertently not executed at or before the closing, or the version executed at or before the closing contained any typographical, clerical or mathematical error, or erroneously contained or omitted any provision that does not conform with the statutory authority and established policies of the Agency.
8. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but which together shall constitute a single instrument.
9. All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency: Tompkins County Industrial Development Agency  
401 East State Street, Suite 402B  
Ithaca, New York 14850

With a copy to: Mariette Geldenhuys, Attorney and Mediator  
401 East State Street, Suite 306  
Ithaca, New York 14850

To the Company: 209-215 Dryden Associates, LLC  
15 Thornwood Drive, P.O. Box 4860  
Ithaca, New York 14852-4860

With a copy to: C. Daniel Shulman, Esq.  
Shulman Grundner Etoll & Danaher, P.C.  
250 South Clinton Street, Suite 502  
Syracuse, New York 13202

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this section.

10. This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein, and the parties hereby agree to submit to the personal jurisdiction of the federal or state courts located in Tompkins County, New York.
11. The parties are contemplating that, after any applicable public hearings, the Agency will negotiate and enter into a leaseback agreement (the "Leaseback Agreement") and payment-in-lieu-of-tax agreement (the "PILOT Agreement") with the Company. The Company agrees not to take title to any property as agent for the Agency until the Leaseback Agreement and PILOT Agreement have been executed and delivered. At any time prior to the execution of the Leaseback Agreement and PILOT Agreement, the Agency can transfer title to the Company to all assets acquired by the Company as agent for the Agency. Additionally, at any time prior to execution of the Leaseback Agreement and PILOT Agreement, the Company can demand that the Agency transfer title to the Company with respect to all assets acquired by the Company as agent for the Agency, provided all amounts owed to the agency have been paid current.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

TOMPKINS COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

209-215 DRYDEN ASSOCIATES, LLC

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

## INDUCEMENT AGREEMENT

This INDUCEMENT AGREEMENT (the “Agreement”), dated as of the \_\_\_\_\_ day of September, 2015, is made between the TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the “Agency”), a public benefit corporation of the State of New York, having its offices at 401 East State Street, Suite 402B, Ithaca, New York 14850, and 209-215 DRYDEN ASSOCIATES, LLC (the “Company”), a limited liability company duly formed and existing pursuant to the laws of the State of Delaware and authorized to do business in the State of New York, having a principal business address of 15 Thornwood Drive, P.O. Box 4860, Ithaca, New York 14852-4860.

**Article 1. Preliminary Statement.** Among the matters of mutual inducement which have resulted in the execution of this Agreement are the following:

1.01. The Agency is authorized and empowered by the provisions of Article 18-A of the General Municipal Law of the State of New York as amended, and Chapter 535 of the Laws of 1971 of the State of New York (collectively, the “Act”) to provide financial assistance to “Projects” (as defined in the Act), to acquire facilities or properties, and to lease same to the Company upon such terms and conditions as the Agency may deem advisable.

1.02. The purposes of the Act are to promote industry and develop trade by inducing manufacturing, industrial, warehousing, research, recreation and commercial enterprises to locate or remain in the State. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes, including the power to provide financial assistance, therein defined.

1.03. The Company has requested that the Agency provide financial assistance for a certain project (the “Project”), consisting of the acquisition, construction (the “Construction”) and equipping (the “Equipment”) upon four parcels of real property to be acquired by the Company at 209-211, 213, and 215 Dryden Road and 240 Linden Avenue in the City of Ithaca, Tompkins County, New York (the “Land”) of an approximately 73,000-square-foot, six-story building to be leased to Cornell University to house its Johnson School of Management Executive Education Program (collectively, the “Facility”) (the Land, the Construction, the Equipment, and the Facility are hereinafter collectively referred to as the “Project Facility”).

1.04. The Agency has determined that the providing of the Project Facility by the Agency and the leasing thereof by the Agency to the Company will not result in the removal of an industrial or manufacturing plant, facility or other commercial activity of the Company from one area of the State to another area of the State nor result in the abandonment of one or more commercial or manufacturing plants or facilities of the Company located within the State; and the Agency has found that, based on the Company’s application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

1.05. The Agency has determined that the acquisition, construction and equipping of the Project Facility, as described in the application to the Agency dated August 5, 2015 (the “Application”), will promote and further the purposes of the Act.

1.06. On September 25, 2015, the Agency adopted a Resolution agreeing to undertake to assist the Company and to effectuate the purposes of the Act and, subject to the happening of all acts, conditions and things required precedent to such assistance.

1.07. In the Resolution, the Agency appointed the Company as its agent for the purposes of acquiring, constructing and equipping the Project Facility, entering into contracts and doing all things requisite and proper for completing the Project Facility.

**Article 2. Undertakings on the Part of the Agency.** Based upon the statements, representations and undertakings of the Company regarding the Project Facility and subject to the conditions set forth herein, the Agency agrees as follows:

2.01. Upon satisfactory completion of the conditions precedent set forth herein and in the Resolution and the satisfactory completion of such additional acts and reviews as the Agency may deem appropriate, the Agency will adopt, or cause to be adopted, such proceedings and authorize the execution of such documents as may be necessary or advisable for (i) the acquisition, construction and equipping of the Project Facility, and (ii) the subleasing or sale of the Project Facility to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

2.02. The Agency will enter into an agreement to lease the Project Facility to the Company (the "Leaseback Agreement"). The Company shall be entitled to terminate the Leaseback Agreement pursuant to the terms as shall be prescribed in the Leaseback Agreement subject to conditions, if any, agreed upon by the Agency and the Company. The Leaseback Agreement shall contain all provisions required by law and such other provisions as shall be mutually acceptable to the Agency and the Company and, to the extent it may be applicable, the mortgage holder.

2.03. The Agency will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

**Article 3. Undertakings on the Part of the Company.** Based upon the statements, representations and undertakings of the Agency herein and in the Resolution and subject to the conditions set forth herein and in the Resolution, the Company agrees as follows:

3.01. The Company hereby accepts the appointment made by the Agency in the Resolution to be the true and lawful agent of the Agency to (i) acquire, construct and equip the Project Facility and (ii) make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent of the Agency, and in general to do all things which may be requisite or proper for completing the Project Facility, all with the same powers and the same validity as the Agency could do if acting on its own behalf.

3.02. The Company will, to the extent deemed by it to be necessary or desirable, enter into a contract or contracts for the acquisition, construction and equipping of the Project Facility (including any necessary contracts for the leasing of real property necessary or useful in said Project Facility), and, on the terms and conditions set forth in a certain lease agreement between the Company and the Agency, entered into concurrently herewith (the "Lease Agreement") and the Leaseback Agreement, it will lease the Project Facility to the Agency.

3.03. Contemporaneously with the lease of the Project Facility to the Agency, the Company will enter into the Leaseback Agreement with the Agency containing, among other things, the terms and conditions described in Section 2.02 hereof and such other financing agreements, indentures, guaranties, and related agreements as shall be necessary or appropriate so that the Company will be obligated to pay to or for the account of the Agency sums sufficient to pay the principal and interest of any note and mortgage.

3.04. (a) The Company shall not permit to stand, and will, at its own expense, take all steps reasonably necessary to remove (or bond the same if acceptable to the Agency and its counsel), any mechanics' or other liens against the Project Facility for labor or materials furnished in connection with the acquisition, construction and equipping of the Project Facility. The Company shall forever defend, indemnify and hold the Agency, its members, officers, employees and agents, and anyone for whose acts or omissions the Agency or any of them may be liable, harmless from and against any costs, losses, expenses, claims, damages and liabilities of whatever kind or nature arising, directly or indirectly, out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition, construction and equipping of the Project Facility or arising out of any contract or other arrangement therefor (and including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing), whether such claims or liabilities arise as a result of the Company acting as agent for the Agency pursuant to this Agreement or otherwise. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency, or any of its respective members, directors, officers, agents or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability, except that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Agency or any other person or entity to be indemnified, or actions of the persons to be indemnified that are outside of the scope of their duties on behalf of the Agency.

(b) The Company shall forever defend, indemnify and hold harmless the Agency, its members, officers, employees and agents, and anyone for whose acts or omissions the Agency or any of them may be liable, from and against all claims, causes of action, liabilities and expenses howsoever arising for loss or damage to property or any injury to or death of any person (including, without limitation, death of or injury to any employee of the Company) that may occur subsequent to the date hereof by any cause whatsoever in relation to the Project Facility, including the failure to comply with the provisions of Article 3.04 hereof, or arising, directly or indirectly, out of the ownership, construction, acquisition, operation, maintenance, repair or financing of the Project Facility, and including, without limitation, any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

(c) The defense and indemnities provided for in this Article 3 shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them together the Agency's "affiliates", or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by statutory law.

(d) The Company shall provide and carry Worker's Compensation and disability insurance as required by the Leaseback Agreement.

3.05. The Company agrees that, as agent for the Agency or otherwise, it will comply with all the requirements of all federal, state and local laws, rules and regulations of whatsoever kind and howsoever

denominated applicable to the Agency and/or the Company with respect to the Project Facility, the acquisition, construction and equipping thereof, and the operation and maintenance of the Project Facility. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full; and upon the request of either party, this Agreement shall be amended to specifically set forth any such provision or provisions.

3.06. The Company agrees that, as agent for the Agency or otherwise, to the extent that such provisions of law are in fact applicable (without creating an obligation by contract beyond that which is created by statute) it will comply with the requirements of Section 220 of the Labor Law of the State of New York, as amended.

3.07. The Company agrees that, as agent for the Agency and for all other purposes, it shall annually file a statement with the New York State Department of Taxation and Finance, on a form and in such manner as prescribed by the Commissioner of Taxation and Finance, as to the value of all sales and use exemptions claimed by the Company or its agents, including, but not limited to, operators of the Project Facility and consultants or subcontractors of the Company, under the authority granted pursuant to Section 874(8) of the General Municipal Law. The penalty for failure to file such statement shall include, without limitation, removal by the Agency of the Company's authority to act as an agent of the Agency.

3.08. The Company will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.09. The Company agrees to cooperate with the Agency to (1) ensure compliance with section 858-b of the General Municipal Law, and (2) prepare reports required to be prepared by the Agency pursuant to section 859 of the General Municipal Law.

3.10. If it should be determined that any State or local sales or compensatory use taxes are payable with respect to the acquisition, purchase or rental of machinery or equipment, materials or supplies in connection with the Project Facility, or are in any manner otherwise payable directly or indirectly in connection with the Project Facility, the Company shall pay the same and defend and indemnify the Agency from and against any liability, expenses and penalties arising out of, directly or indirectly, the imposition of any such taxes.

#### **Article 4. General Provisions.**

4.01. This Agreement shall take effect as of the date of execution hereof by the Agency and the Company and shall remain in effect until the Lease Agreement and Leaseback Agreement becomes effective. It is the intent of the Agency and the Company that this Agreement be superseded in its entirety by the Lease Agreement and Leaseback Agreement, except for the indemnities contained herein, which shall survive.

4.02. It is understood and agreed by the Agency and the Company that the execution of the Leaseback Agreement and related documents are subject to (i) obtaining all necessary governmental approvals, (ii) approval of the Company, (iii) approval by the members of the Agency, (iv) determination of the environmental impact of the Project Facility by the Agency and compliance with the State Environmental Quality Review Act, (v) agreement between the Agency, the Company and any mortgagee or other financial institution or agency involved with the financing of the construction of the building of the Project Facility of mutually acceptable terms and conditions for the Leaseback Agreement and other documentation required in this transaction, (vi) the condition that there is no change in New York State Law which prohibits or limits

the Agency from fulfilling its obligations and commitment as herein set forth, and (vii) payment by the Company of the Agency's fee and expenses.

4.03. The Company agrees that it will reimburse the Agency for all reasonable and necessary direct out-of-pocket expenses which the Agency may incur as a consequence of the execution of this Agreement or performing its obligations hereunder.

4.04. The Company agrees to execute with the Agency a payment-in-lieu-of tax agreement in accordance with the request of the Company submitted to the Agency and agreed to by the Agency in the Resolution.

4.05. If for any reason the Leaseback Agreement is not executed and delivered on or before **October 31, 2017**, the provisions of this Agreement (other than the provisions of Articles 3.04, 3.05, 3.06, 3.07 and 3.09 above, which shall survive) shall, unless extended by agreement of the Agency and the Company, terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses which were authorized by the Company and incurred by the Agency in connection with the acquisition, construction and equipping of the Project Facility;

(b) The Company shall assume and be responsible for any contracts for construction or purchase of the equipment entered into by the Agency at the request of or as agent of the Company in connection with the Project Facility; and

(c) The Company will pay the direct out-of-pocket expenses of members of the Agency, and counsel for the Agency incurred in connection with the Project Facility and will pay the reasonable fees of counsel for the Agency for legal services relating to the Project Facility and the proposed construction thereof.

4.06. The Company agrees to be bound by the terms of the Tompkins County Industrial Development Agency Incentive Recapture Policy incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the \_\_\_\_\_ day of September, 2015.

TOMPKINS COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

209-215 DRYDEN ASSOCIATES,  
LLC

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

STATE OF NEW YORK     )  
COUNTY OF TOMPKINS   ) ss.:

On the \_\_\_\_\_ day of September, in the year 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that s/he executed the same in her/his capacity, and that by her/his signature on the instrument, the individual, or the person on behalf of whom the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK     )  
COUNTY OF TOMPKINS   ) ss.:

On the \_\_\_\_\_ day of September, in the year 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that s/he executed the same in her/his capacity, and that by her/his signature on the instrument, the individual, or the person on behalf of whom the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

**INDUCEMENT RESOLUTION:  
Ithaca Neighborhood Housing Services, Inc.  
210 Hancock Street & 423 First Street, City of Ithaca**

A special meeting of the Tompkins County Industrial Development Agency was convened on September 25, 2015 at 4:00 p.m.

The following resolution was duly offered and seconded, to wit:

**Resolution authorizing the Tompkins County Industrial Development Agency to**

**(i) take a leasehold interest in real property consisting of a parcel of land owned by Ithaca Neighborhood Housing Services, Inc. and located at 210 Hancock Street and 423 First Street in the City of Ithaca, Tompkins County, New York (currently designated as City of Ithaca tax parcel numbers 35.-3-3 and -1), and improvements to be constructed thereon;**

**(ii) appoint Ithaca Neighborhood Housing Services, Inc. as its agent to acquire, construct and equip thereon a new approximately 65,000-square-foot, four-story, mixed-use building containing fifty-four one- and two-bedroom apartments, a community room, a leasing office, a Head Start facility, commercial office space, and covered parking; twelve 1,200-square-foot, three-bedroom townhouses; a playground, and a pedestrian/bicycle path connecting the site to a larger pedestrian/bicycle network, including the reconstruction of two City streets to eliminate automobile traffic;**

**(iii) negotiate and execute a lease agreement, leaseback agreement and related payment-in-lieu-of-tax agreement;**

**(iv) provide financial assistance to Ithaca Neighborhood Housing Services, Inc. in the form of a partial real property tax abatement through the PILOT Agreement; and**

**(v) execute related documents.**

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and § 895-b of the General Municipal Law of the State of New York, as amended (hereinafter collectively called the “Act”), TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY (hereinafter called the “Agency”) was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, Ithaca Neighborhood Housing Services, Inc. (hereinafter called the “Company”), for itself or on behalf of an entity to be formed, desires to acquire, construct and equip upon real property already owned by the Company at 210 Hancock Street and 423 First Street in the City of Ithaca, Tompkins County, New York (currently designated as City of Ithaca tax parcel numbers 35.-3-3 and -1) (the “Land”) a new approximately 65,000-square-foot, four-story, mixed-use building containing fifty-four one- and two-bedroom apartments, a community room, a leasing office, a Head Start facility, commercial office space, and covered parking; twelve 1,200-square-foot, three-bedroom townhouses; a playground, and a pedestrian/bicycle path



connecting the site to a larger pedestrian/bicycle network, including the reconstruction of two City streets to eliminate automobile traffic (hereinafter called the “Project”); and

WHEREAS, pursuant to Article 18-A of the General Municipal Law, the Agency desires to adopt a resolution describing the Project and the financial assistance that the Agency is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of acquiring, constructing, and equipping the Project, (ii) negotiate and enter into a lease agreement (the “Lease”), leaseback agreement (the “Leaseback Agreement”) and payment-in-lieu-of-tax agreement (the “PILOT Agreement”) with the Company containing the abatement schedule set forth in Exhibit A, (iii) take a leasehold interest in the land and the improvements and personal property constituting the Project (once the Leaseback Agreement and PILOT Agreement have been negotiated), and (iv) provide financial assistance to the Company in the form of a partial real property tax abatement through the PILOT Agreement; and

WHEREAS, pursuant to General Municipal Law Section 859-a, at 4:00 p.m. on September 25, 2015 at the legislative chambers of the County of Tompkins, located in the City of Ithaca at 121 East Court Street, Ithaca, New York, the Agency held a public hearing with respect to the Project and the proposed financial assistance being contemplated by the Agency (the “Public Hearing”) whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views. A copy of the minutes of said Public Hearing is attached hereto as Exhibit B; and

WHEREAS, the City of Ithaca Planning and Development Board on May 26, 2015 issued a negative declaration (the “SEQR Proceedings”) under Article 8 of the Environmental Conservation Law and Regulations adopted pursuant thereto by the Department of Environmental Conservation of the State (collectively, “SEQR”) with respect to the Project. A copy of the negative declaration is attached hereto as Exhibit C; and

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

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company’s application, the Agency 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. It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of acquiring, constructing and equipping the Project;
- c. The Agency has the authority to take the actions contemplated herein under the Act;
- d. The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Tompkins County and otherwise furthering the purposes of the Agency as set forth in the Act;

- e. The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the “State”) to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State, and the Agency hereby finds that, based on the Company’s application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries;

Section 2. Based upon a review of the Company’s application and the SEQR Proceedings submitted to the Agency, the Agency hereby:

- a. Consents to and affirms the status of the City of Ithaca Planning and Development Board (the “Planning Board”) as Lead Agency within the meaning of, and for all purposes of complying with, SEQR;
- b. Determines that the proceedings undertaken by the Planning Board as Lead Agency under SEQR with respect to the acquisition, construction and equipping of the Facility satisfy the requirements of SEQR, and ratifies and confirms such proceedings by the Planning Board as Lead Agency;
- c. Determines that all of the provisions of SEQR that are required to be complied with as a condition precedent to the approval of the financial assistance contemplated by the Agency with respect to the Project and the participation by the Agency in undertaking the Project have been satisfied.

Section 3. Subject to the Company executing the Agent Agreement attached hereto as Exhibit D and the Inducement Agreement attached hereto as Exhibit E, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, construct and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting on its own behalf; provided, however, that the Agent Agreement shall expire on **October 31, 2017** (unless extended for good cause by the Administrative Director of the Agency) if the Leaseback Agreement and PILOT Agreement contemplated have not been executed and delivered.

Section 4. The standard Agency Administrative Fee pursuant to the Mission, Policies and Procedures of the Agency is one percent (1%) of the expenses that are positively impacted by the Agency incentives. The Agency Administrative Fee for this Project shall be a reduced sum of one half of one percent (½%) of the aforementioned expenses.

Section 5. The Chairperson, Vice Chairperson and/or Secretary of the Agency are hereby authorized, on behalf of the Agency, to negotiate and execute (a) the Lease Agreement whereby the Company conveys a leasehold interest in the Project to the Agency, (b) the related Leaseback Agreement leasing the Project back to the Company, and (c) the PILOT Agreement; provided (i) the rental payments under the Leaseback Agreement include payment of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency’s Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 6. The Chairperson, Vice Chairperson and/or Secretary of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any and all documents, in a form acceptable to the Agency’s counsel, reasonably contemplated by these resolutions to accomplish building construction, acquisition and installation of equipment and other personal property, and related transactional costs (hereinafter, with the Leaseback Agreement and PILOT Agreement, collectively called the “Agency Documents”); and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairperson, Vice Chairperson and/or Secretary of the Agency shall approve, the execution thereof by the Chairperson, Vice Chairperson and/or Secretary of the Agency to constitute conclusive evidence of such approval; provided in all events that recourse against the Agency is limited to the Agency’s interest in the Project.

Section 7. 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 and to execute and deliver all such 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 resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 8. These resolutions shall take effect immediately.

The question of the adoption of the foregoing resolutions was duly put to a vote by roll call, which resulted as follows:

<u>Member names</u>	<u>Yea</u>	<u>Nea</u>	<u>Abstain</u>	<u>Absent</u>
Jim Dennis, Chairperson	[ ]	[ ]	[ ]	[ ]
Svante L. Myrick	[ ]	[ ]	[ ]	[ ]
Will Burbank	[ ]	[ ]	[ ]	[ ]
Nathan Shinagawa	[ ]	[ ]	[ ]	[ ]
Grace Chiang	[ ]	[ ]	[ ]	[ ]
Martha Robertson	[ ]	[ ]	[ ]	[ ]
Jennifer Tavares	[ ]	[ ]	[ ]	[ ]

The resolutions were thereupon duly adopted.

I, Svante L. Myrick, as Secretary of the Tompkins County Industrial Development Agency, hereby certify that the above is a true and correct copy of a duly authorized resolution of the Tompkins County Industrial Development Agency.

Dated: September \_\_\_\_\_, 2015

\_\_\_\_\_  
Svante L. Myrick, Secretary of the  
Tompkins County Industrial Development Agency

## EXHIBIT A

### Payment-in-Lieu-of-Tax (“PILOT”) Agreement abatement schedule

- Total annual payment to taxing jurisdictions = 12% of net operating income
- Net operating income = the actual or anticipated income that remains after all operating expenses are deducted from effective gross income, but before mortgage debt service, real estate taxes, and book depreciation are deducted. Income includes both actual rent paid by tenants and any rental subsidies paid by any other institution.

#### YEAR OF EXEMPTION

1	2016-17 School; 2017 Town & County; 2017 City	
2	2017-18 School; 2018 Town & County; 2018 City	
3	2018-19 School; 2019 Town & County; 2019 City	
4	2019-20 School; 2020 Town & County; 2020 City	
5	2020-21 School; 2021 Town & County; 2021 City	
6	2021-22 School; 2022 Town & County; 2022 City	
7	2022-23 School; 2023 Town & County; 2023 City	
8	2023-24 School; 2024 Town & County; 2024 City	
9	2024-25 School; 2025 Town & County; 2025 City	
10	2025-26 School; 2026 Town & County; 2026 City	
11	2026-27 School; 2027 Town & County; 2027 City	
12	2027-28 School; 2028 Town & County; 2028 City	
13	2028-29 School; 2029 Town & County; 2029 City	
14	2029-30 School; 2030 Town & County; 2030 City	
15	2030-31 School; 2031 Town & County; 2031 City	
16	2031-32 School; 2032 Town & County; 2032 City	
17	2032-33 School; 2033 Town & County; 2033 City	
18	2033-34 School; 2034 Town & County; 2034 City	
19	2034-35 School; 2035 Town & County; 2035 City	
20	2035-36 School; 2036 Town & County; 2036 City	
21	2036-37 School; 2037 Town & County; 2037 City	
22	2037-38 School; 2038 Town & County; 2038 City	
23	2038-39 School; 2039 Town & County; 2039 City	
24	2039-40 School; 2040 Town & County; 2040 City	
25	2040-41 School; 2041 Town & County; 2041 City	
26	2041-42 School; 2042 Town & County; 2042 City	
27	2042-43 School; 2043 Town & County; 2043 City	
28	2043-44 School; 2044 Town & County; 2044 City	
29	2044-45 School; 2045 Town & County; 2045 City	
30	2045-46 School; 2046 Town & County; 2046 City	
31	Thereafter	no abatement, full taxes paid

## NOTICE OF PUBLIC HEARING ON PROPOSED FINANCING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to §859-a of the New York General Municipal Law will be held by the Tompkins County Industrial Development Agency (the "IDA") on the **25<sup>th</sup>** day of **September, 2015**, at **4:00 p.m.** at the **Tompkins County legislative chambers**, 121 East Court Street in the City of Ithaca, New York, in connection with the following matter:

Ithaca Neighborhood Housing Services, Inc. (the "Company"), a New York corporation, its successors or designees, has requested that the IDA provide financial assistance for the following project: to construct, furnish, and equip upon real property already owned by the Company at 210 Hancock Street and 423 First Street (tax parcel numbers 35.-3-3 and -1) in the City of Ithaca, County of Tompkins ("the Property") a new approximately 65,000-square-foot, four-story, mixed-use building containing fifty-four one- and two-bedroom apartments, a community room, a leasing office, a Head Start facility, commercial office space, and covered parking; twelve 1,200-square-foot, three-bedroom townhouses; a playground, and a pedestrian/bicycle path connecting the site to a larger pedestrian/bicycle network, including the reconstruction of two City streets to eliminate automobile traffic ("the Improvements"); the Property and Improvements are collectively referred to as "the Facility."

The financial assistance contemplated by the IDA will consist generally of exemption from taxation expected to be claimed by the Company as a result of the IDA taking title to, possession or control (by lease, license or otherwise) of the Facility, or of the Company acting as an agent of the IDA, consisting of: (a) exemption from real estate transfer tax with respect to the transfer of the Facility or a portion thereof to the IDA; and (b) exemption from general real property taxation with respect to the Facility, which exemption shall be offset, in whole or in part, by contractual payments in lieu of taxes ("PILOT" payments) by the Company for the benefit of tax affected jurisdictions. The proposed exemption from real property taxation deviates from the IDA's Uniform Tax Exemption Policy.

In accordance with §875(3) of the New York General Municipal Law, and if the Company's application is approved, any New York State and local sales and use tax exemption claimed by the Company and approved by the Agency in connection with the above-described project may be subject to recapture by the Agency under the terms and conditions set forth in §875(3) and as will be set forth in the Agent Agreement to be entered into by and between the Agency and the Company.

Members of the public are invited to review the project application containing an analysis of the costs and benefits of the proposed project at the offices of TCAD (401 East State/MLK Jr. Street, Suite 402B, Ithaca, New York) during regular business hours.

The IDA will, at the above-stated time and place, hear all persons with views in favor of or opposed to either the location or nature of the Project, or the proposed financial assistance being contemplated by the IDA. In addition, at, or prior to, such hearing, interested parties may submit to the IDA written materials pertaining to such matters.

A report of the hearing will be made available to the Tompkins County Industrial Development Agency Board of Directors. Approval of the financing by the IDA through its Board of Directors is necessary.

Dated: September 17, 2015

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**ADOPTED RESOLUTION  
CEQR — Negative Declaration**

**City of Ithaca Planning & Development Board  
Mixed-Use Housing  
210 Hancock Street  
May 26, 2015**

**WHEREAS:** the City of Ithaca Planning and Development Board has one pending application for Site Plan Approval for a mixed-use housing project to be located at 210 Hancock Street, and

**WHEREAS:** the applicant proposes to redevelop the entire 2.01-acre parcel currently containing the vacant former grocery store, a smaller commercial building, and a 110-space parking lot. The project sponsor proposes to construct twelve 2-story townhomes and a 4-story, approximately 65,000-SF, mixed-use building with approximately 53 apartments and approximately three ground-floor commercial spaces, totaling approximately 10,000 SF. Approximately 64 parking spaces will be provided — approximately one third of which will be on the ground floor of the apartment building. The project sponsor also proposes to convert 0.77 acres of contiguous City-owned right-of-way (ROW) that include portions of Adams St. and Lake Ave. (both of which are public streets); the former would become a playground area with associated walks, and the later would become a green space with a central non-vehicular bike and pedestrian path. The project is in the B-2a Zoning District. The project requires the following approvals: site plan and subdivision approval from the Planning and Development Board (Lead Agency), a Flood Plain Development Permit, variances from the Board of Zoning Appeals (BZA), approval from the Board of Public Works (BPW) for improvements to property in the public way, funding approval from the Ithaca Urban Renewal Agency (IURA), and approval from Common Council, and

**WHEREAS:** this is a Type I Action under the City of Ithaca Environmental Quality Review Ordinance, §176-4 (h)(2),(k), and (n) and the State Environmental Quality Review Act, §617.4 (9), and is subject to environmental review, and

**WHEREAS:** the IURA and Common Council both concurred by resolution to the City of Ithaca Planning and Development Board being Lead Agency for this project, and the BPW did not respond within 30 days to the Planning Board's request for concurrence, and

**WHEREAS:** the Planning Board did on April 28, 2015 declare itself Lead Agency for the environmental review of the project, and

**WHEREAS:** the City of Ithaca Conservation Advisory Council, Tompkins County Planning Department, and other interested parties have been given the opportunity to comment on the proposed project and any received comments have been considered, and

**WHEREAS:** the Planning Board, acting as Lead Agency in environmental review, has on May 26, 2015 reviewed and accepted as adequate: a Full Environmental Assessment Form (FEAF), Part 1, submitted by the applicant, and Parts 2 and 3, prepared by Planning staff and revised by the Planning Board; and the following drawings: "Boundary and Topographic Map," dated 10/28/14 and "Preliminary Subdivision Map," dated 3/25/15, both prepared by T.G. Miller, P.C.; and "Utility Plan (C101)," "Esc Plan-Demolition and Construction (C102)," "Esc Plan - Stabilization (C103)," "Details (C201)," prepared by HOLT Architects and T.G. Miller P.C.; and "Demolition Plan (L101)," "Layout Plan (L201)," "Grading Plan (L301)," "Planting Plan (L401)," and "Site Details (L501 & L502)," prepared by Trowbridge Wolf Michaels Landscape Architects and all dated 4/1/15; and "Site Plan," dated 5/19/15; and "Elevations (2 sheets)," dated 5/4/15; and "Aerial View and Precedent," "Perspective Views (2 sheets)," all dated 4/16/15; and "Site Sections," "Context Diagram," "Partial Elevation at Mid Block Walk Through," and "Shade Studies," dated 4/1/15 and all prepared by Trowbridge Wolf Michaels Landscape Architects and HOLT Architects; and "Revised Hancock Street Planting," "Cornice at Red Brick Building," "Cornice at Brown Brick Building," "Cornice at White Brick Building," dated 5/18/15 and prepared by HOLT Architects; and other application materials, *now, therefore, be it*

**RESOLVED:** that the City of Ithaca Planning and Development Board determines the proposed project will result in no significant impact on the environment and a Negative Declaration for purposes of Article 8 of the Environmental Conservation Law be filed in accordance with the provisions of Part 617 of the State Environmental Quality Review Act.

Moved by: Jones-Rounds  
Seconded by: Schroeder  
In favor: Blalock, Darling, Jones-Rounds, Schroeder  
Against: 0  
Abstain: 0  
Absent: Elliott, Randall  
Vacancies: 1

## AGENT AGREEMENT

THIS AGREEMENT is made as of the \_\_\_\_ day of September, 2015, by and between the TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, having its offices at 401 East State Street, Suite 402B, Ithaca, New York 14850 (the "Agency") and ITHACA NEIGHBORHOOD HOUSING SERVICES, INC., a not-for-profit corporation duly formed and validly existing pursuant to the laws of the State of New York, with a business address of 520 West Green Street, Ithaca, New York 14850 (the "Company").

### WITNESSETH:

WHEREAS, the Agency was created by Section 895 of the General Municipal Law of the State of New York pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company desires to acquire, construct and equip upon real property owned by the Company at 210 Hancock Street and 423 First Street in the City of Ithaca, Tompkins County, New York (currently designated as City of Ithaca tax parcel numbers 35.-3-3 and -1) (the "Land") a new approximately 65,000-square-foot, four-story, mixed-use building containing fifty-four one- and two-bedroom apartments, a community room, a leasing office, a Head Start facility, commercial office space, and covered parking; twelve 1,200-square-foot, three-bedroom townhouses; a playground, and a pedestrian/bicycle path connecting the site to a larger pedestrian/bicycle network, including the reconstruction of two City streets to eliminate automobile traffic (hereinafter called the "Project"); and

WHEREAS, by Resolution dated September 25, 2015 (the "Resolution"), the Agency authorized the Company to act as its agent for the purposes of acquiring, constructing and equipping the Project as set forth above, subject to the Company entering into this Agent Agreement; and

NOW, THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

1. Scope of Agency. The Company hereby agrees to limit its activities as agent for the Agency under the authority of the Resolution to acts reasonably related to the acquisition, construction and equipping of the Project. The right of the Company to act as agent of the Agency shall expire on **October 31, 2017**, unless extended as contemplated by the Resolution.
2. Representations and Covenants of the Company. The Company makes the following representations and covenants in order to induce the Agency to proceed with the Project:
  - a. The Company is a corporation duly formed and validly existing under the laws of the State of New York, has the authority to enter into this Agreement, and has duly authorized the execution and delivery of this Agreement.
  - b. Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the provisions of this Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Company is a party or by which it is bound, or will constitute a default under any of the foregoing, or result in the creation or



imposition of any lien of any nature upon any of the property of the Company under the terms of any such instrument or agreement.

- c. The Project and the operation thereof will conform with all applicable zoning, planning, building and environmental laws and regulations of governmental authorities having jurisdiction over the Project, and the Company shall defend, indemnify and hold the Agency harmless from any liability or expenses resulting from any failure by the Company to comply with the provisions of this subsection.
- d. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body pending or, to the knowledge of the Company, threatened against or affecting the Company, to which the Company is a party, in which an adverse result would in any way diminish or adversely impact on the Company's ability to fulfill its obligations under this Agreement.
- e. The Company covenants that the Project will comply in all respects with all environmental laws and regulations, and, except in compliance with environmental laws and regulations, (i) that no pollutants, contaminants, solid wastes, or toxic or hazardous substances will be stored, treated, generated, disposed of, or allowed to exist at the Project except in compliance with all material applicable laws, (ii) the Company will take all reasonable and prudent steps to prevent an unlawful release of hazardous substances at the Project or onto any other property, (iii) that no asbestos will be incorporated into or disposed of at the Project; (iv) that no underground storage tanks will be located at the Project, and (v) that no investigation, order, agreement, notice, demand or settlement with respect to any of the above is threatened, anticipated, or in existence. The Company, upon receiving any information or notice contrary to the representations contained in this section, shall immediately notify the Agency in writing with full details regarding the same. The Company hereby releases the Agency from liability with respect to, and agrees to defend, indemnify, and hold harmless the Agency, its executive director, directors, members, officers, employees, agents, representatives, successors and assigns from and against any and all claims, demands, damages, costs, orders, liabilities, penalties, and expenses (including reasonable attorney's fees) related in any way to any violation of the covenants or failure to be accurate of the representations contained in this section. In the event the Agency in its reasonable discretion deems it necessary to perform due diligence with respect to any of the above, or to have an environmental audit performed with respect to the Project, the Company agrees to pay the expenses of same to the Agency upon demand, and agrees that upon failure to do so, its obligation for such expenses shall be deemed to be additional rent.

3. Contracts & Employment.

- a. The Agency encourages the Company to use an open bidding process for construction contracts; to give opportunities for employment in the construction of the Project to persons residing in Tompkins County, New York; and to award contracts for work in connection with the Project to eligible business concerns which are located in, or owned in substantial part by persons residing in, Tompkins County, New York.

- b. The Company agrees to the following:
  - i. The project design team for the Project will consist entirely of local companies (defined as companies with their principal place of business in Tompkins County and surrounding counties); and
  - ii. The construction contract for the Project will include specific provisions that require outreach to local construction companies requesting bids, to the greatest extent feasible.
  
- 4. Hold Harmless Provision. The Company hereby releases the Agency from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency and its executive director, directors, officers, members, employees, agents (except the Company), representatives, successors and assigns harmless from and against any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project or arising by reason of or in connection with the occupation or the use thereof or the presence on, in or about the Project or breach by the Company of this Agreement or (ii) liability arising from or expense incurred by the Agency's financing, rehabilitating, renovation, equipping, owning and leasing of the Project, including without limitation the generality of the foregoing, all causes of action and reasonable attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency, or any of its respective members, directors, officers, agents or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability, except that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Agency or any other person or entity to be indemnified.
  
- 5. Insurance Required. Effective as of the date hereof and until the Agency consents in writing to a termination, the Company shall maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type paying, as the same become due and payable, all premiums in respect thereto, including, but not necessarily limited to:
  - a. (i) Insurance against loss or damage by fire, lightning and other casualties, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the Project, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Company or (ii) as an alternative to the above requirements (including the requirements of periodic appraisal), the Company may insure the Project under a blanket insurance policy or policies covering not only the Project but other properties as well.
  - b. Worker's compensation insurance, disability benefits insurance, and each other form of insurance which the Agency or the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company who are located at or assigned to the Project.
  - c. Insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from personal injury and death or damage to the property of others caused by any accident or occurrence on account of personal injury, including death resulting

therefrom, and \$1,000,000 per accident or occurrence on account of damage to the property of others, excluding liability imposed upon the Company by any applicable worker's compensation law; and a blanket excess liability policy in the amount not less than \$3,000,000, protecting the Company against any loss or liability or damage for personal injury or property damage.

6. Additional Provisions Respecting Insurance.

- a. All insurance required by Section 4(a) hereof shall name the Agency as a named insured and all other insurance required by Section 4 shall name the Agency as an additional insured. All insurance shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the Company and authorized to write such insurance in the State of New York. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the Company is engaged. All policies evidencing such insurance shall provide for (i) payment of the losses of the Company and the Agency as their respective interests may appear, and (ii) at least thirty (30) days' prior written notice of the cancellation thereof to the Company and the Agency.
- b. All such policies of insurance, or a certificate or certificates of the insurers that such insurance is in force and effect, shall be deposited with the Agency prior to the commencement of the Project. Prior to expiration of any such policy, the Company shall furnish the Agency evidence that the policy has been renewed or replaced or is no longer required by this Agreement.

7. Errors and Omissions; Compliance. In consideration for the assistance provided to the Company by the Agency, the Company agrees, if requested by Agency, to fully cooperate and execute and/or re-execute any document that should have been signed at or before the closing of the transaction described in this Agreement, or a corrected or modified version of any such documents, where the document was inadvertently not executed at or before the closing, or the version executed at or before the closing contained any typographical, clerical or mathematical error, or erroneously contained or omitted any provision that does not conform with the statutory authority and established policies of the Agency.

8. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but which together shall constitute a single instrument.
9. All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency:           Tompkins County Industrial Development Agency  
401 East State Street, Suite 402B  
Ithaca, New York 14850

With a copy to:        Mariette Geldenhuys, Attorney and Mediator  
401 East State Street, Suite 306  
Ithaca, New York 14850

To the Company: Ithaca Neighborhood Housing Services, Inc.  
520 West Green Street  
Ithaca, New York 14850

With a copy to: George Parker, Esq.  
34 Goodman Street South, Suite 401  
Rochester, New York 14607

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this section.

10. This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein, and the parties hereby agree to submit to the personal jurisdiction of the federal or state courts located in Tompkins County, New York.
11. The parties are contemplating that, after any applicable public hearings, the Agency will negotiate and enter into a leaseback agreement (the "Leaseback Agreement") and payment-in-lieu-of-tax agreement (the "PILOT Agreement") with the Company. The Company agrees not to take title to any property as agent for the Agency until the Leaseback Agreement and PILOT Agreement have been executed and delivered. At any time prior to the execution of the Leaseback Agreement and PILOT Agreement, the Agency can transfer title to the Company to all assets acquired by the Company as agent for the Agency. Additionally, at any time prior to execution of the Leaseback Agreement and PILOT Agreement, the Company can demand that the Agency transfer title to the Company with respect to all assets acquired by the Company as agent for the Agency, provided all amounts owed to the agency have been paid current.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

TOMPKINS COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

ITHACA NEIGHBORHOOD  
HOUSING SERVICES, INC.

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

## INDUCEMENT AGREEMENT

This INDUCEMENT AGREEMENT (the “Agreement”), dated as of the \_\_\_\_\_ day of September, 2015, is made between the TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the “Agency”), a public benefit corporation of the State of New York, having its offices at 401 East State Street, Suite 402B, Ithaca, New York 14850, and ITHACA NEIGHBORHOOD HOUSING SERVICES, INC. (the “Company”), a not-for-profit corporation duly formed and existing pursuant to the laws of the State of New York, having a principal business address of 520 West Green Street, Ithaca, New York 14850.

**Article 1. Preliminary Statement.** Among the matters of mutual inducement which have resulted in the execution of this Agreement are the following:

1.01. The Agency is authorized and empowered by the provisions of Article 18-A of the General Municipal Law of the State of New York as amended, and Chapter 535 of the Laws of 1971 of the State of New York (collectively, the “Act”) to provide financial assistance to “Projects” (as defined in the Act), to acquire facilities or properties, and to lease same to the Company upon such terms and conditions as the Agency may deem advisable.

1.02. The purposes of the Act are to promote industry and develop trade by inducing manufacturing, industrial, warehousing, research, recreation and commercial enterprises to locate or remain in the State. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes, including the power to provide financial assistance, therein defined.

1.03. The Company has requested that the Agency provide financial assistance for a certain project (the “Project”), consisting of the acquisition, construction (the “Construction”) and equipping (the “Equipment”) upon a parcel of real property owned by the Company at 210 Hancock Street and 423 First Street in the City of Ithaca, Tompkins County, New York (the “Land”) of a new approximately 65,000-square-foot, four-story, mixed-use building containing fifty-four one- and two-bedroom apartments, a community room, a leasing office, a Head Start facility, commercial office space, and covered parking; twelve 1,200-square-foot, three-bedroom townhouses; a playground, and a pedestrian/bicycle path connecting the site to a larger pedestrian/bicycle network, including the reconstruction of two City streets to eliminate automobile traffic (collectively, the “Facility”) (the Land, the Construction, the Equipment, and the Facility are hereinafter collectively referred to as the “Project Facility”).

1.04. The Agency has determined that the providing of the Project Facility by the Agency and the leasing thereof by the Agency to the Company will not result in the removal of an industrial or manufacturing plant, facility or other commercial activity of the Company from one area of the State to another area of the State nor result in the abandonment of one or more commercial or manufacturing plants or facilities of the Company located within the State; and the Agency has found that, based on the Company’s application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

1.05. The Agency has determined that the acquisition, construction and equipping of the Project Facility, as described in the application to the Agency dated August 5, 2015 (the “Application”), will promote and further the purposes of the Act.

1.06. On September 25, 2015, the Agency adopted a Resolution agreeing to undertake to assist the Company and to effectuate the purposes of the Act and, subject to the happening of all acts, conditions and things required precedent to such assistance.

1.07. In the Resolution, the Agency appointed the Company as its agent for the purposes of acquiring, constructing and equipping the Project Facility, entering into contracts and doing all things requisite and proper for completing the Project Facility.

**Article 2. Undertakings on the Part of the Agency.** Based upon the statements, representations and undertakings of the Company regarding the Project Facility and subject to the conditions set forth herein, the Agency agrees as follows:

2.01. Upon satisfactory completion of the conditions precedent set forth herein and in the Resolution and the satisfactory completion of such additional acts and reviews as the Agency may deem appropriate, the Agency will adopt, or cause to be adopted, such proceedings and authorize the execution of such documents as may be necessary or advisable for (i) the acquisition, construction and equipping of the Project Facility, and (ii) the subleasing or sale of the Project Facility to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

2.02. The Agency will enter into an agreement to lease the Project Facility to the Company (the "Leaseback Agreement"). The Company shall be entitled to terminate the Leaseback Agreement pursuant to the terms as shall be prescribed in the Leaseback Agreement subject to conditions, if any, agreed upon by the Agency and the Company. The Leaseback Agreement shall contain all provisions required by law and such other provisions as shall be mutually acceptable to the Agency and the Company and, to the extent it may be applicable, the mortgage holder.

2.03. The Agency will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

**Article 3. Undertakings on the Part of the Company.** Based upon the statements, representations and undertakings of the Agency herein and in the Resolution and subject to the conditions set forth herein and in the Resolution, the Company agrees as follows:

3.01. The Company hereby accepts the appointment made by the Agency in the Resolution to be the true and lawful agent of the Agency to (i) acquire, construct and equip the Project Facility and (ii) make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent of the Agency, and in general to do all things which may be requisite or proper for completing the Project Facility, all with the same powers and the same validity as the Agency could do if acting on its own behalf.

3.02. The Company will, to the extent deemed by it to be necessary or desirable, enter into a contract or contracts for the acquisition, construction and equipping of the Project Facility (including any necessary contracts for the leasing of real property necessary or useful in said Project Facility), and, on the terms and conditions set forth in a certain lease agreement between the Company and the Agency, entered into concurrently herewith (the "Lease Agreement") and the Leaseback Agreement, it will lease the Project Facility to the Agency.

3.03. Contemporaneously with the lease of the Project Facility to the Agency, the Company will enter into the Leaseback Agreement with the Agency containing, among other things, the terms and conditions described in Section 2.02 hereof and such other financing agreements, indentures, guaranties, and related agreements as shall be necessary or appropriate so that the Company will be obligated to pay to or for the account of the Agency sums sufficient to pay the principal and interest of any note and mortgage.

3.04. (a) The Company shall not permit to stand, and will, at its own expense, take all steps reasonably necessary to remove (or bond the same if acceptable to the Agency and its counsel), any mechanics' or other liens against the Project Facility for labor or materials furnished in connection with the acquisition, construction and equipping of the Project Facility. The Company shall forever defend, indemnify and hold the Agency, its members, officers, employees and agents, and anyone for whose acts or omissions the Agency or any of them may be liable, harmless from and against any costs, losses, expenses, claims, damages and liabilities of whatever kind or nature arising, directly or indirectly, out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition, construction and equipping of the Project Facility or arising out of any contract or other arrangement therefor (and including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing), whether such claims or liabilities arise as a result of the Company acting as agent for the Agency pursuant to this Agreement or otherwise. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency, or any of its respective members, directors, officers, agents or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability, except that such indemnities will not be applicable with respect to willful misconduct or gross negligence on the part of the Agency or any other person or entity to be indemnified, or actions of the persons to be indemnified that are outside of the scope of their duties on behalf of the Agency.

(b) The Company shall forever defend, indemnify and hold harmless the Agency, its members, officers, employees and agents, and anyone for whose acts or omissions the Agency or any of them may be liable, from and against all claims, causes of action, liabilities and expenses howsoever arising for loss or damage to property or any injury to or death of any person (including, without limitation, death of or injury to any employee of the Company) that may occur subsequent to the date hereof by any cause whatsoever in relation to the Project Facility, including the failure to comply with the provisions of Article 3.04 hereof, or arising, directly or indirectly, out of the ownership, construction, acquisition, operation, maintenance, repair or financing of the Project Facility, and including, without limitation, any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

(c) The defense and indemnities provided for in this Article 3 shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them together the Agency's "affiliates", or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by statutory law.

(d) The Company shall provide and carry Worker's Compensation and disability insurance as required by the Leaseback Agreement.

3.05. The Company agrees that, as agent for the Agency or otherwise, it will comply with all the requirements of all federal, state and local laws, rules and regulations of whatsoever kind and howsoever

denominated applicable to the Agency and/or the Company with respect to the Project Facility, the acquisition, construction and equipping thereof, and the operation and maintenance of the Project Facility. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full; and upon the request of either party, this Agreement shall be amended to specifically set forth any such provision or provisions.

3.06. The Company agrees that, as agent for the Agency or otherwise, to the extent that such provisions of law are in fact applicable (without creating an obligation by contract beyond that which is created by statute) it will comply with the requirements of Section 220 of the Labor Law of the State of New York, as amended.

3.07. The Company agrees that, as agent for the Agency and for all other purposes, it shall annually file a statement with the New York State Department of Taxation and Finance, on a form and in such manner as prescribed by the Commissioner of Taxation and Finance, as to the value of all sales and use exemptions claimed by the Company or its agents, including, but not limited to, operators of the Project Facility and consultants or subcontractors of the Company, under the authority granted pursuant to Section 874(8) of the General Municipal Law. The penalty for failure to file such statement shall include, without limitation, removal by the Agency of the Company's authority to act as an agent of the Agency.

3.08. The Company will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.09. The Company agrees to cooperate with the Agency to (1) ensure compliance with section 858-b of the General Municipal Law, and (2) prepare reports required to be prepared by the Agency pursuant to section 859 of the General Municipal Law.

3.10. If it should be determined that any State or local sales or compensatory use taxes are payable with respect to the acquisition, purchase or rental of machinery or equipment, materials or supplies in connection with the Project Facility, or are in any manner otherwise payable directly or indirectly in connection with the Project Facility, the Company shall pay the same and defend and indemnify the Agency from and against any liability, expenses and penalties arising out of, directly or indirectly, the imposition of any such taxes.

#### **Article 4. General Provisions.**

4.01. This Agreement shall take effect as of the date of execution hereof by the Agency and the Company and shall remain in effect until the Lease Agreement and Leaseback Agreement becomes effective. It is the intent of the Agency and the Company that this Agreement be superseded in its entirety by the Lease Agreement and Leaseback Agreement, except for the indemnities contained herein, which shall survive.

4.02. It is understood and agreed by the Agency and the Company that the execution of the Leaseback Agreement and related documents are subject to (i) obtaining all necessary governmental approvals, (ii) approval of the Company, (iii) approval by the members of the Agency, (iv) determination of the environmental impact of the Project Facility by the Agency and compliance with the State Environmental Quality Review Act, (v) agreement between the Agency, the Company and any mortgagee or other financial institution or agency involved with the financing of the construction of the building of the Project Facility of mutually acceptable terms and conditions for the Leaseback Agreement and other documentation required in this transaction, (vi) the condition that there is no change in New York State Law which prohibits or limits



the Agency from fulfilling its obligations and commitment as herein set forth, and (vii) payment by the Company of the Agency's fee and expenses.

4.03. The Company agrees that it will reimburse the Agency for all reasonable and necessary direct out-of-pocket expenses which the Agency may incur as a consequence of the execution of this Agreement or performing its obligations hereunder.

4.04. The Company agrees to execute with the Agency a payment-in-lieu-of tax agreement in accordance with the request of the Company submitted to the Agency and agreed to by the Agency in the Resolution.

4.05. If for any reason the Leaseback Agreement is not executed and delivered on or before **October 31, 2017**, the provisions of this Agreement (other than the provisions of Articles 3.04, 3.05, 3.06, 3.07 and 3.09 above, which shall survive) shall, unless extended by agreement of the Agency and the Company, terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses which were authorized by the Company and incurred by the Agency in connection with the acquisition, construction and equipping of the Project Facility;

(b) The Company shall assume and be responsible for any contracts for construction or purchase of the equipment entered into by the Agency at the request of or as agent of the Company in connection with the Project Facility; and

(c) The Company will pay the direct out-of-pocket expenses of members of the Agency, and counsel for the Agency incurred in connection with the Project Facility and will pay the reasonable fees of counsel for the Agency for legal services relating to the Project Facility and the proposed construction thereof.

4.06. The Company agrees to be bound by the terms of the Tompkins County Industrial Development Agency Incentive Recapture Policy incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the \_\_\_\_\_ day of September, 2015.

TOMPKINS COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

ITHACA NEIGHBORHOOD  
HOUSING SERVICES, INC.

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

STATE OF NEW YORK     )  
COUNTY OF TOMPKINS   ) ss.:

On the \_\_\_\_\_ day of September, in the year 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that s/he executed the same in her/his capacity, and that by her/his signature on the instrument, the individual, or the person on behalf of whom the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK     )  
COUNTY OF TOMPKINS   ) ss.:

On the \_\_\_\_\_ day of September, in the year 2015, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that s/he executed the same in her/his capacity, and that by her/his signature on the instrument, the individual, or the person on behalf of whom the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public



863 Hayts Rd  
Ithaca, NY 14850

September 17<sup>th</sup>, 2015

Tompkins County Industrial Development Agency  
401 East State Street Suite 402B  
Ithaca NY 14850

Dear Heather,

I am writing to request a transfer of Black Oak Wind Farm's PILOT agreement and tax abatements to a new owner. After a year of searching for a stand-alone tax equity partner to join with our community owners, we are selling the project to Onyx, who is able to procure tax equity. This sale ensures the project gets built in time to qualify for the federal tax credits, and our NYSERDA and Cornell PPA remain in place as well; otherwise they would expire too. Though not optimal, this sale will protect the investments of our local owners, and gets the project built by a very competent team with a long background in community wind development, and substantial credit backing to ensure success.

The Onyx team will be keeping in place all the other components of the project we have prepared- GE turbines get purchased on the 29<sup>th</sup> of September, O'Connell Electric will still be performing the substation work and using Ithaca Local union workers; they will be partnering with GE and Cornell on the research and teaching component of the project; and Black Oak's investors will be paid over many years, as we had envisioned all along. I will be staying on with Onyx through completion of the project, so although the legal point of contact is shown below, I will remain the local liaison and point person.

We also would like to request an extension of the sales tax abatement; we expect to start construction this fall on the substation, but the overall project will not be complete until next October. As long an extension as you can grant would be most helpful.

Therefore, I hope the IDA sees fit to approve this change of ownership and allow the project to be built at last. The new owner's contact information is as follows:

Onyx Black Oak Wind, LLC Attn: Russell Laplante  
126 E. 56<sup>th</sup> St. New York, NY 10022  
646-502-4530 [Rlaplante@onyxrenewables.com](mailto:Rlaplante@onyxrenewables.com)

Thanks,

Marguerite