INDUCEMENT RESOLUTION:
City Centre Associates, LLC
301 East State Street, City of Ithaca

A regular meeting of the Tompkins County Industrial Development Agency was convened on April 13, 2017 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 to be acquired by City Centre Associates, LLC consisting of an approximately 0.79-acre parcel of land located at 301 East State Street in the City of Ithaca, Tompkins County, New York (currently designated as tax parcel number 69.-4-1), and improvements to be constructed thereon;

(ii) appoint City Centre Associates, LLC as its agent to acquire, construct and equip thereon an eight-story, approximately 218,211-square-foot mixed-use building containing 192 multi-family residences, approximately 10,600 square feet of ground-floor retail space, approximately 8,700 square feet of amenity space for residents and building support, approximately 2,000 square feet of space for utilities, and approximately 68 below-grade parking spaces and secure bicycle parking for residents' use;

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

(iv) provide financial assistance to City Centre 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, City Centre Associates, LLC (hereinafter called the "Company"), for itself or on behalf of an entity to be formed, desires to acquire, construct and equip upon an approximately 0.79-acre parcel of land located at 301 East State Street in the City of Ithaca, Tompkins County, New York (currently designated

as tax parcel number 69.-4-1) (the "Land") an eight-story, approximately 218,211-square-foot mixed-use building containing 192 multi-family residences, approximately 10,600 square feet of ground-floor retail space, approximately 8,700 square feet of amenity space for residents and building support, approximately 2,000 square feet of space for utilities, and approximately 68 below-grade parking spaces and secure bicycle parking for residents' use (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 5:30 p.m. on March 29, 2017 at the Ithaca City Hall, located in the City of Ithaca at 108 East Green 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 December 20, 2017 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; and

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; and

c. The Agency has the authority to take the actions contemplated herein under the Act; and

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; and

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; and

f. The Project meets the requirements of the Agency's Community Investment Incentive Tax Abatement Program. The project has been approved by City of Ithaca CIITAP Review Committee, and will increase density in the City of Ithaca downtown density district. A copy of the Review Committee's approval letter is attached hereto as Exhibit D.

g. The Project involves a Type I action as defined in Article 8 of the Environmental Conservation Law and Regulations adopted pursuant thereto by the Department of Environmental Conservation of the State (collectively, "SEQR").

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 **$14,560,000.00**, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed **$1,165,000.00**. 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 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 **April 30, 2019** (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 the Administrative Director 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 Chair, Vice Chair and/or Administrative Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents, in a form acceptable to the Agency's counsel, reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount of **$50,000,000.00** to finance demolition, building construction, materials, 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 Chair, Vice Chair and/or Administrative Director of the Agency shall approve, the execution thereof by the Chair, Vice Chair and/or Administrative Director of the Agency to constitute conclusive evidence of such approval; provided in all events 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:

Member names	Yea	Nea	Abstain	Absent
James P. Dennis, Chairperson	[✓]	[ ]	[ ]	[ ]
Martha Robertson, Vice Chairperson	[✓]	[ ]	[ ]	[ ]
Svante L. Myrick, Secretary	[✓]	[ ]	[ ]	[ ]
Will Burbank	[ ]	[✓]	[ ]	[ ]
Grace Chiang	[ ]	[ ]	[ ]	[✓]
Jennifer Tavares	[✓]	[ ]	[ ]	[ ]
Richard T. John	[✓]	[ ]	[ ]	[ ]

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: April 25, 2017

Svante L. Myrick

EXHIBIT A

Payment-in-Lieu-of-Tax ("PILOT") Agreement abatement schedule

As long as the Land and improvements thereon are leased to the Agency and, therefore, exempt from general real property taxation, the Company agrees to pay annually to such Taxing Jurisdictions, i.e., the City of Ithaca, the County of Tompkins, and the Ithaca City School District (or cause any mortgagee to release any escrow for payments hereunder annually to such Taxing Jurisdiction), as a payment in lieu of general real property taxes respecting such premises:

(i) an amount equal to 100% of the real property taxes which would be due for said premises but for record ownership by the Agency (but without reference to, or utilization of, Section 485-b of the Real Property Tax Law of the State of New York) based on the lowest valuation as set by the Tompkins County Department of Assessment at the point in time when the existing rooms are taken out of use as part of the construction of the Project; and

(ii) with respect to the portion of the assessed value of said premises attributable to the construction of the Project thereon, the following percentages of the general real property taxes which would be due in respect of the improvements to the premises (i.e., the assessed value of the improvements to the premises) but for its record ownership by the Agency (but without any reference to, or utilization of, Section 485-b of the Real Property Tax law of the State of New York), based on a then-current assessment of such improvements:

YEAR OF EXEMPTION		TAXING JURISDICTIONS PAYMENT IN LIEU OF TAX FOR ASSESSED VALUE OF IMPROVEMENTS
1		0%
2		0%
3		0%
4		10%
5		10%
6		10%
7		30%
8		50%
9		70%
10		90%
11	and thereafter	100% (no abatement; full taxes paid)

(it being understood and agreed that from the date hereof until year 1 of exemption, the Company shall be obligated to pay or cause to be paid annually to the Taxing Jurisdictions normal real property taxes on the full assessed value of the total land portion and then-existing improvements on the conveyed premises).