

**RESOLUTION**  
*(Lyons Logistics, LLC Project)*

A regular meeting of the Wayne County Industrial Development Agency was convened on April 22, 2011 at 9:30 a.m.

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

Resolution No. 04/2011 - \_\_

RESOLUTION OF THE WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (1) ACCEPTING THE APPLICATION OF LYONS LOGISTICS, LLC IN CONNECTION WITH A PROPOSED PROJECT (AS FURTHER DESCRIBED HEREIN) TO BE LOCATED WITHIN THE VILLAGE AND TOWN OF LYONS, WAYNE COUNTY, NEW YORK; (2) AUTHORIZING THE SCHEDULING AND CONDUCTING OF A PUBLIC HEARING; AND (3) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 916 of the Laws of 1969 of the State of New York, (hereinafter collectively called the "Act"), the **WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, civic, research, and recreational facilities as authorized by the Act, and in connection therewith to issue its revenue bonds, and/or enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, **LYONS LOGISTICS, LLC**, a limited liability company duly organized and validly existing under the laws of the State of New York with a mailing address at 75 Main Street, Fairport, New York 14450, for itself or on behalf of an entity to be formed (the "Company") has submitted an application (the "Application") to the Agency, copies of which were presented at this meeting and a copy of which is on file at the office of the Agency, requesting the Agency's assistance with respect to a certain project (the "Project") consisting of (i) the acquisition by the Agency of fee title to, or a leasehold interest in, an approximately 19.75 acre parcel of land located 100 Dunn Road in the Village and Town of Lyons, Wayne County, New York (the "Land", being more particularly described as TMID No. 071.111-0018-355.133) and the existing improvements thereon consisting of an approximately 131,610 square-foot vacant manufacturing facility (the "Existing Improvements"), (ii) the renovation, rehabilitation, upgrading and retro-fitting of the Existing Improvements for use by the Company for manufacturing space (the "Improvements"), and (iii) the acquisition of and installation in and around the Existing Improvements of certain machinery and related equipment and other items of tangible personal property (the "Equipment" and, collectively with the Land, the Existing Improvements, and the Improvements, the "Facility"); and (iv) through a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain title to or a leasehold interest in the Facility for a period of time and sell or

sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"); and

WHEREAS, the Agency is contemplating providing financial assistance to the Company with respect to the Project (collectively, the "Financial Assistance") in the form of: (A) an exemption from all State and local sales and use taxes with respect to qualifying personal property included in or incorporated into the Facility or used in the acquisition, renovation, rehabilitation, upgrading and retro-fitting of the Existing Improvements or equipping of the Facility; (B) the grant of one or more mortgage liens on the Land (or such interest therein as is conveyed to the Agency) and the Existing Improvements (the "Mortgages") to secure the indebtedness incurred by or for the benefit of the Company in connection with the Project, which Mortgages would be exempt from all mortgage recording taxes imposed by the State and any political subdivision thereof; and (C) a partial real property tax abatement through a payment-in-lieu-of-tax agreement (the "PILOT Agreement"), pursuant to which the Company would make payments in lieu of real property taxes to each affected tax jurisdiction (the "Affected Tax Jurisdictions"); and

WHEREAS, the Agency intends to describe the Project, accept the Application, describe the forms of Financial Assistance contemplated by the Agency and authorize the scheduling and conduct of a public hearing pursuant to and in accordance with the Act.

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

Section 1. Based upon the representations made by the Company to the Agency in the 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 (i) acquire title to or an other interest in the Land, the Existing Improvements, the Improvements and the Equipment constituting the Facility, (ii) lease or sell the Agency's interest in the Land, the Existing Improvements, the Improvements and the Equipment constituting the Facility to the Company pursuant to a lease agreement or sale agreement to be negotiated, and (iii) enter into a Straight Lease Transaction with the Company; 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 undertake the Project, thereby increasing employment opportunities in the Village and Town of Lyons, which is located within Wayne County, New York, and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) Although the Project will result in the abandonment of one or more plants or facilities of the Company located within the State, the Agency hereby finds that, based on the Company's Application, the Project is reasonably necessary to discourage the Company 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 Company in its industry.

Section 2. The proposed Financial Assistance being contemplated by the Agency includes (i) an exemption from all State and local sales and use taxes with respect to qualifying personal property included in or incorporated into the Facility or used in the acquisition, renovation, rehabilitation, upgrading and retro-fitting of the Existing Improvements or equipping of the Facility; (ii) the grant of one or more mortgage liens on the Land (or such interest therein as is conveyed to the Agency) and the Existing Improvements to secure the indebtedness incurred by or for the benefit of the Company in connection with the Project, which Mortgages would be exempt from all mortgage recording taxes imposed by the State and any political subdivision thereof; and (iii) a partial real property tax abatement through a PILOT Agreement, pursuant to which the Company would make payments in lieu of real property taxes to each Affected Tax Jurisdictions.

Section 3. This resolution shall authorize the Agency to hold a public hearing as required by Article 18-A of the New York State General Municipal Law.

Section 4. The Agency's formal inducement to undertake the Project and approve the Financial Assistance shall be by one or more further resolutions of the Agency and shall be subject to the terms and conditions as are set forth therein.

Section 5. The Company is hereby authorized to conduct such environmental, engineering, economic, feasibility and other studies and preliminary planning and budgetary processes necessary or convenient to enable the Agency to make its final determination whether to approve the Financial Assistance, and the Company, in its own name, is further authorized to advance such funds as may be necessary for such purpose.

Section 6. Counsel to the Agency and Harris Beach PLLC, as Transaction Counsel for the Agency are hereby authorized to work with counsel to the Company and others to prepare for submission to the Agency, all documents necessary to effect the authorization and undertaking of the Project.

Section 7. The Chairman (or Vice Chairman) and/or Executive Director of the Agency are hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 8. This Resolution shall take effect immediately.

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
David Spickerman, Sr.	XX			
James Hoffman	XX			
Willard Milliman	XX			
Marvin E. Decker	XX			
Robert Havrilla				XX

STATE OF NEW YORK     )  
COUNTY OF WAYNE     ) ss:

I, the undersigned Secretary of the Wayne County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the meeting of the Wayne County Industrial Development Agency (the "Agency") including the resolution contained therein, held on the 22<sup>nd</sup> day of April 2011, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this 22<sup>nd</sup> day of April, 2011.



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Assistant Secretary

[SEAL]