

WCIDA Minutes 1.27.17 – Attachment One
AUTHORIZING RESOLUTION
(Palmyra Inn Investment, LLC Project –
Assignment to Palmyra Hospitality, LLC)

A regular meeting of the Wayne County Industrial Development Agency (the “Agency”) was convened on January 27, 2017, at 9:30 a.m., local time, at 9 Pearl Street, Lyons, New York.

Resolution No. 9/2017 - _____

RESOLUTION OF THE WAYNE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE “AUTHORITY”) (i) AUTHORIZING THE ASSIGNMENT OF CERTAIN DOCUMENTS IN CONNECTION WITH A CERTAIN PROJECT (AS FURTHER DEFINED HEREIN) PREVIOUSLY UNDERTAKEN FOR THE BENEFIT OF PALMYRA INN INVESTMENT, LLC (THE “COMPANY”) TO PALMYRA HOSPITALITY, LLC (THE “ASSIGNEE”); AND (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS AND AGREEMENTS RELATING THERETO

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, as amended (hereinafter collectively called the “Act”), the **WAYNE 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 industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, the Agency previously undertook a certain project for the benefit of **PALMYRA INN INVESTMENT, L.L.C.** (the “Company”) involving: (i) the Agency’s acquisition from the Company of a leasehold interest of an approximately 3.344 acre parcel of land located at 955 Canandaigua Road in the Town of Palmyra, Wayne County, New York (the “Land”, more particularly identified as TMID No. 64110-00-642983) pursuant to a certain Ground Lease dated as of February 1, 2005 (the “Ground Lease”) (ii) the construction and equipping of an approximately 40,000 square foot building thereon to be used as an extended-stay hotel (the “Improvements”); (iii) the acquisition of and installation in and around the Improvements by the Company of machinery, equipment, furniture, fixtures and other items of tangible personal property (the “Equipment” and, collectively with, the Land and the Improvements, the “Facility”); and (iv) through a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), the Agency has subleased such interest in the Facility back to the Company and Hotel Operator (the “Sublease Agreement”) (collectively, the “Straight Lease Transaction”). In furtherance of the Project and the Act, and as a component of the Straight Lease Transaction, the Agency, Company and **PALMYRA INN, L.L.C.** (the “Hotel Operator”) also entered into a certain Payment in Lieu of Tax Agreement, also dated as of February 1, 2005 (the “PILOT Agreement”), along with related documents collectively referred to herein as the “2005 Lease Documents”; and

WHEREAS, the Agency entered into a certain Amendment and Modification Agreement dated September 28, 2007 (the "2007 Amendment and Modification Agreement") to modify the 2005 Lease Documents; and

WHEREAS, the Agency further entered into a certain Amendment and Modification Agreement dated December 1, 2010 (the "2010 Amendment and Modification Agreement") to modify the 2005 Lease Documents, as modified by the 2007 Amendment and Modification Agreement (the 2005 Lease Documents, as modified by the 2007 Amendment and Modification Agreement and the 2010 Amendment and Modification Agreement collectively referred to as the "Agency Documents"); and

WHEREAS, pursuant to the Lease Agreement, and in connection with the sale of the Facility, the Company has requested the Agency's approval of the proposed assignment of the Agency Documents (the "Assignment") to Palmyra Hospitality, LLC (the "Assignee"); and

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

Section 1. Subject to (i) the Company and Assignee executing an Assignment and Assumption Agreement (the "Assignment Agreement"), (ii) the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, and (iii) compliance with the Lease Agreement, the Agency hereby authorizes the Assignment of the Agency Documents to the Assignee. The Agency hereby finds that the Assignment constitutes a Type II Action, as defined within the State Environmental Quality Review Act ("SEQRA") and regulations adopted pursuant thereto at 6 NYCRR Part 617.5(c)(26) whereby the Assignment constitutes a transfer of leasehold rights with no material change in permitted conditions or activities.

Section 2. The Chairman, Vice Chairman, and/or Executive Director/Chief Executive Officer of the Agency are hereby authorized, on behalf of the Agency, to execute, deliver the Assignment Agreement and related documents; provided the rental payments under the Leaseback Agreement, as assigned, and the Assignment Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and prospective indemnification of the Agency by the Assignee for actions taken by the Assignee and/or claims arising out of or related to the Project.

Section 3. The Chairman, Vice Chairman and/or the Executive Director/Chief Executive Officer of the Agency are hereby further authorized, on behalf of the Agency, and to the extent necessary, to execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Assignee (the "Lender") up to a maximum principal amount necessary to undertake the Project and/or finance/refinance acquisition and Project costs, equipment and other personal property and related transactional costs, 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 Chairman, Vice Chairman and/or the Executive Director/Chief Executive Officer of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman or the Executive Director/Chief Executive Officer 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 4. 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 5. These Resolutions 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:

	Yea	Nea	Absent	Abstain
Pamela Heald	[XX]	[]	[]	[]
David Spickerman, Sr.	[XX]	[]	[]	[]
James Hoffman	[]	[]	[XX]	[]
Steven LeRoy	[XX]	[]	[]	[]

The Resolution was thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF WAYNE) SS:

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

That I have compared the annexed extract of minutes of the meeting of the Wayne County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on January 27, 2017, 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 related 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 such 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 affixed the seal of said Agency this 27th day of January, 2017.

Assistant Secretary

[SEAL]