

RESOLUTION AUTHORIZING THE ISSUANCE OF A DEVIATION NOTICE

A Meeting of the City of Rensselaer Industrial Development Agency (the "Agency") was held at City Hall, 62 Washington Street, City of Rensselaer, New York 12144 on April 26, 2021 at 4:15 p.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

Michael Stammel, Mayor	Chairman
James Casey	Member
William Bulnes	Member
Ray Stevens	Member

ABSENT:

John DeFrancisco	Member
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THE FOLLOWING PERSONS WERE ALSO PRESENT:

John J. Bonesteel	CEO/Treasurer
Paul Goldman, Esq.	Assistant Treasurer/Special Counsel
Philip J. Danaher, Esq.	Secretary
Konstantin Traganas	Counsel to Company

On motion duly made and seconded, the following resolution was placed before the members of the Agency, to wit:

RESOLUTION AUTHORIZING THE CEO/TREASURER TO ISSUE A NOTICE OF PROPOSED DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY TO EACH OF THE AFFECTED TAXING JURISDICTIONS FOR A PAYMENT IN LIEU OF TAX AGREEMENT FOR THE FRANCISCAN HEIGHTS SENIOR COMMUNITY PROJECT;

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 235 of the 1974 Laws of New York, as amended, constituting Section 903-c of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general

prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to issue its industrial development revenue bonds and to undertake straight lease transactions to provide financial assistance for one or more "projects" (as defined in the Act) in order to acquire, construct and install said projects and to provide financial assistance for such projects; and

WHEREAS, Franciscan Heights, L.P., a New York limited partnership, by its Management Agent, DePaul Housing Management, having a mailing address of 20-51 St. Anthony Lane, Rensselaer, New York 12144 (the "Company") has presented an application (the "Application") to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking the provision of financial assistance in the form of a payment in lieu of tax agreement for the following project owned and operated by the Company (the "Project") consisting of the following: (A) (1) a leasehold interest in an approximately 9.8 acre parcel of land located at 20-51 St. Anthony Lane, City of Rensselaer, New York (SBL No.: 133.-3-3.112) (the "Land"), (2) a certain 85 unit senior housing complex known as Franciscan Heights Senior Community (the "Facility"), (3) related fixtures, machinery, equipment and other tangible personal property (the "Equipment" and collectively with the Land and the Facility are hereinafter called the "Project Facility") and (4) the Agency's acquisition of an interest in the Project Facility; (B) the granting of certain "financial assistance" (within meaning of Section 854(14) of the Act) with respect to the Project Facility consisting of an exemption from real property taxes (the "Financial Assistance"); (C) the execution and delivery of a certain payment in lieu of tax agreement (the "PILOT Agreement"); and (D) the lease (with an obligation to purchase) or sale of the Project to the Company or such other person as may be designated by the Company, and agreed upon by the Agency; and

WHEREAS, the undertaking and continuation of the Project in the City of Rensselaer will improve the prosperity and standard of living of the people and residents of the City of Rensselaer and advance their job opportunities, health, general prosperity and economic welfare; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that the provision of Financial Assistance will be an inducement to the Company to continue the operation of the Project in City of Rensselaer, New York which will prevent certain financial pressures to the Company affecting its continued operation of the Project Facility, and that the continuation of the Project will not result in the removal of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of one or more plants or facilities of the Company.

WHEREAS, on even date herewith, the Agency approved and authorized that the CEO/Treasurer and/or Chairman establish a public hearing on the provision of financial assistance for the Project Facility in accordance with Section 859-a of the General Municipal Law; and

WHEREAS, the Agency's Amended and Restated Uniform Tax Exemption Policy and Guidelines (the "Uniform Tax Policy") provides a standardized method for the determination of payment in lieu of taxes for facilities in the City. The Company has existing RPTL Article 7 assessment review litigation challenging the 2020 assessment of the Project Facility and asserting that the Project Facility is exempt from taxation pursuant to RPTL Section 420-a. The Company and Counsel for the City have engaged in settlement negotiations of such litigation pursuant to which the parties have determined that it is mutually beneficial to have that the Company request that the Agency enter into a certain payment in lieu of tax agreement which ensures that the Project Facility will continue to provide revenue to the County of Rensselaer (the "County"), the City of Rensselaer (the "City") and the Rensselaer Central School District (the "School District") (collectively, the County, Town and School District are hereinafter called the "Affected Taxing Jurisdiction") rather than risk a judicial determination that the Project Facility is exempt from taxation pursuant to RPTL Section 420-a, and that a payment in lieu of tax agreement will provide the Company with the certainty of obligation for real estate taxes and/or payments in lieu thereof which it needs for certainty of its operations.

WHEREAS, the proposed payment in lieu of tax agreement for the Project Facility is not consistent with the Uniform Tax Policy of the Agency ("PILOT Request") so that the CEO/Treasurer is authorized to issue a notice to each of the Affected Taxing Jurisdictions that the Agency has received an application from the Company with respect to the Project Facility which request is a deviation under the Uniform Tax Policy and seeking the comment from each of the Affected Taxing Jurisdictions on the PILOT Request.

WHEREAS, it is in the best interest of the Agency to cause the CEO/Treasurer to issue a notice of the proposed deviation from the Agency's Uniform Tax Exemption Policy (the "PILOT Deviation Notice") to each of the Affected Taxing Jurisdictions so as to provide the Affected Taxing Jurisdiction with an opportunity to comment on the proposed payment in lieu of tax agreement and exemption from taxation set forth in the PILOT Request.;

WHEREAS, pursuant to Section 874(4) of the Act, the Agency is required to provide notice to chief executive officer of the Affected Taxing Jurisdictions with respect to any proposed deviation from the Uniform Tax Policy and the reasons therefore prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

NOW, THEREFORE, BE IT RESOLVED by the City of Rensselaer Industrial Development Agency as follows:

SECTION 1. The Agency hereby finds and determines:

(A) That the CEO/Treasurer is authorized to prepare a PILOT Deviation Notice for the PILOT Request and submit the PILOT Deviation Notice to the chief executive officer of each of the Affected Taxing Jurisdictions for their review and comment.

(B) The Agency has determined to cause the CEO/Treasurer to give all representatives from the Affected Tax Jurisdictions notice of the public hearing on the Project Facility pursuant to which the Affected Taxing Jurisdictions could also provide public comment to the PILOT Request to the Agency.

SECTION 2. The Agency approves and authorizes the CEO/Treasurer to prepare a PILOT Deviation Notice for the Project Facility, and submit the PILOT Deviation Notice to the chief executive officer of each of the Affected Tax Jurisdictions for their review and comment.

SECTION 3. This Resolution shall take effect immediately.

SECTION 4. All prior resolutions or parts thereof inconsistent with this resolution are hereby repealed to the extent of such inconsistency.

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

Michael Stammel, Mayor	Chairman	Voting	<u>Yes</u>
John DeFrancesco	Vice Chairman	Voting	<u>Absent</u>
James Casey	Member	Voting	<u>Yes</u>
William Bulnes	Member	Voting	<u>Yes</u>
Ray Stevens	Member	Voting	<u>Yes</u>

The resolution was therein declared duly adopted.

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

I, the undersigned Secretary of the City of Rensselaer Industrial Development Agency, **DO HEREBY CERTIFY:**

That I have compared the annexed extract of the minutes of the meeting of the City of Rensselaer Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on April 26, 2021, 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 resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters referred to therein.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that due notice of said meeting was given to the public and news media as required by Article 7 of the Public Officers Law and that the meeting was open to the public and that public notice of the time and place of said meeting was duly given in accordance with Article 7 of the Public Officers Law.

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, modified or repealed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 26th day of April, 2021.

 s/Philip J. Danaher, Secretary
Philip J. Danaher, Secretary

(SEAL)