

RESOLUTION

(Dockside Village of the 1000 Islands, LLC Project)

A regular meeting of St. Lawrence County Industrial Development Agency (the "Issuer") was convened on October 23, 2007, at 8:00 a.m., local time, at Best Western University Inn, 90 East Main Street, Canton, New York.

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

MEMBER	PRESENT	ABSENT
Lynn Blevins		X
Jon R. Greenwood	X	
Ernest LaBaff	X	
Andrew McMahan	X	
Frederick S. Morrill	X	
Brian W. Staples	X	
R. Joseph Weekes, Jr.	X	

The following persons were ALSO PRESENT: Raymond Fountain, CEO; Kimberly Gilbert, CFO; Patrick Kelly, Deputy Director; Rich Williams, Facilities Manager; Brian Norton, Economic Developer; Natalie Haggart, Administrative Assistant; William R. Small, Esq., Agency Counsel; Jason Clark, Massena BDC; Media.

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of Dockside Village of the 1000 Islands, LLC.

On motion duly made by Mr. McMahan and Mr. Greenwood, and seconded by Mr. LaBaff, the following resolution was placed before the members of the St. Lawrence County Industrial Development Agency:

Member	Aye	Nay	Abstain	Absent
Lynn Blevins				X
Jon Greenwood	X			
Ernest LaBaff	X			
Andrew McMahan	X			
Frederick S. Morrill	X			
Brian Staples	X			
R. Joseph Weekes	X			

(i) ADOPTING FINDINGS PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT; (ii) AUTHORIZING THE UNDERTAKING OF A CERTAIN PROJECT (AS MORE FULLY DESCRIBED BELOW) FOR THE BENEFIT OF DOCKSIDE VILLAGE OF THE 1000 ISLANDS, LLC; AND (iii) AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT, LEASEBACK AGREEMENT, PAYMENT-IN-LIEU-OF-TAX-AGREEMENT, MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT

Resolution No. 07-10-35

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1971 of the State of New York, as amended (hereinafter collectively called the "Act"), the **ST. LAWRENCE 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, **DOCKSIDE VILLAGE OF THE 1000 ISLANDS, LLC** (the "Company"), previously submitted an application (the "Application") to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of (i) the acquisition by the Agency of fee title to or a leasehold interest in property located at 307 Water Street, Morristown, St. Lawrence County, New York (the "Land") and the existing improvements and buildings located thereon (the "Existing Improvements"), (ii) the renovation, refurbishment and equipping of the Existing Improvements and/or construction and installation of new buildings and equipment for use as a mixed-use, waterfront shopping center, hotel and restaurant (collectively, the "Improvements"), and (iii) the acquisition and installation by the Company in and around the Improvements of certain items of equipment and other tangible personal property (the "Equipment", and collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, on August 9, 2007, the Agency adopted a resolution (the "Initial Resolution") (i) accepting the Company's Application, (ii) describing the financial assistance (as defined in the Initial Resolution) to be provided to the Company in connection with the Project, (iii) determining that Project is likely to attract a significant number of visitors from outside the economic development region (as established by Section 232 of the New York State Economic Development Law), and therefore qualifies for the Financial Assistance pursuant to Section 862(2) of the Act, and (iv) directing that a public hearing be held and a lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement"), payment-in-lieu-of-tax agreement (the "PILOT Agreement") and related documents be negotiated; and

WHEREAS, pursuant to Section 859-a of the Act, on September 25, 2007, at Morristown Town Hall, 604 Main Street, Morristown, 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 along with the Notice of Public Hearing published and forwarded to the affected taxing jurisdictions thirty (30) days prior to said Public Hearing are attached hereto as Exhibit A; and

WHEREAS, on July 24, 2007, the Village of Morristown Code Enforcement Office issued a Negative Declaration pursuant to New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law, and the regulations adopted pursuant thereto, under 6 NYCRR Part 617 (collectively, "SEQRA") with respect to the Project, a copy of which Negative Declaration is attached hereto as Exhibit B; and

WHEREAS, the Agency's Uniform Tax Exemption Policy ("UTEP") provides for a standard, ten-year PILOT Agreement for qualifying manufacturing and industrial facilities whereby (i) for the first five (5) years after Project completion, the Agency confers a 100% abatement on the improved value of real property; and (ii) in years six (6) through ten (10) the abatement conferred is 50% of what the taxes would otherwise be on the improved value of real property; and

WHEREAS, the UTEP further provides that sponsors of non-industrial projects must secure the consent of local taxing jurisdictions in order to structure the terms of an Agency PILOT Agreement; and

WHEREAS, in connection with the Application, and in furtherance of the Project's positive financial impact within St. Lawrence County, the Town of Morristown, the Village of Morristown and the Morristown Central School District (collectively, the "Local Taxing Jurisdictions"), the Agency has requested the support and consent of the Local Taxing Jurisdictions in establishing a PILOT Agreement for the Project equivalent to the Agency's standard PILOT structure; and

WHEREAS, the Affected Taxing Jurisdictions have consented to the PILOT Agreement pursuant to consent certificates delivered to the Agency and attached hereto as Exhibit C (the "Consent Certificates"); and

WHEREAS, the Lease Agreement, Leaseback Agreement, PILOT Agreement and related documents have been negotiated and are presented to this meeting for approval and execution.

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

Section 1. Based upon a review of the Application and the Negative Declaration issued by the Village of Morristown Code Enforcement Office and related documents submitted by the Company to the Agency, the Agency hereby (i) determines that the proceedings undertaken by the Village of Morristown Code Enforcement Office under SEQRA with respect to the acquisition, construction and equipping of the Facility satisfy the requirements of SEQRA;

(ii) ratifies such proceedings by the Village of Morristown Code Enforcement Office and determines that all of the provisions of SEQRA 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; and (iii) determines that no further SEQRA review is necessary with respect to the Project.

Section 2. The Agency hereby acknowledges receipt of the Consent Certificates, approves the terms of the PILOT Agreement and finds that procedures for deviation from the Agency's UTEP were complied with pursuant to Section 874 of the Act.

Section 3. Subject to the Company executing the Lease Agreement and Leaseback Agreement and the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, 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 in its own behalf; provided, however, the right of Company to act as the true and lawful agent of the Agency shall expire on **March 31, 2008** (unless extended for good cause by the Chairman, Vice Chairman, and/or Chief Executive Officer of the Agency) if the Lease Agreement, Leaseback Agreement and PILOT Agreement contemplated have not been executed and delivered.

Section 4. The Chairman, Vice Chairman, and/or Chief Executive Officer of the Agency are hereby authorized, on behalf of the Agency, to execute (A) the Lease Agreement, pursuant to which the Company leases the Facility to the Agency, (B) the Leaseback Agreement, pursuant to which the Agency leases its interest in the Facility back to the Company, and (C) the PILOT Agreement; provided that (i) the rental payments under the Leaseback Agreement include payments 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 UTEP or the procedures for deviation have been complied with.

Section 5. The Chairman, Vice Chairman, and/or Chief Executive Officer 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 reasonably contemplated by these resolutions or required by any lender or lenders identified by the Company" (the "Lender") up to a maximum principal amount reasonably necessary to undertake the Project and/or finance equipment and other personal property and related transactional costs (hereinafter, with the Lease Agreement, 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 Chairman, Vice Chairman, and/or Chief Executive Officer of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman and/or 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 6. 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 7. These Resolutions shall take effect immediately.

CERTIFICATION

STATE OF NEW YORK)
COUNTY OF ST. LAWRENCE)

I, Brian W. Staples, the undersigned, Chairman of the St. Lawrence Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 23, 2007, with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Issuer 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 23rd day of October, 2007.

Brian W. Staples
Chairman

(SEAL)

EXHIBIT A

Notice Documents

EXHIBIT B

Negative Declaration of Village of Morristown Code Enforcement Office

EXHIBIT C

Consent Certificates