

INDUCEMENT RESOLUTION
(Rushton Place, LLC Project)

A regular meeting of the St. Lawrence County Industrial Development Agency was convened in public session on October 13, 2009 in Canton, New York.

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

<u>MEMBER</u>	<u>PRESENT</u>	<u>ABSENT</u>
Lynn Blevins	X	
Jon R. Greenwood		X
Ernest LaBaff	X	
Andrew J. McMahon	X	
Frederick S. Morrill	X	
Brian W. Staples	X	
R. Joseph Weekes, Jr.	X	

The following persons were ALSO PRESENT: Raymond Fountain, Kimberly Gilbert, Brian Norton, Patrick Kelly, Richard Williams, Natalie Sweatland, Edmund J. Russell, III, Esq., and William R. Small, Esq.

The following resolution was offered by Mr. LaBaff and seconded by Mr. Weekes:

(1) AUTHORIZING THE UNDERTAKING AND FINANCIAL ASSISTANCE TO THE COMPANY FOR THE PROJECT IN THE FORM OF A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO UNDERTAKING THE PROJECT (AS DESCRIBED BELOW); (2) APPOINTING RUSHTON PLACE, LLC AS AGENT TO UNDERTAKE THE PROJECT; (3) AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT AGREEMENT, SALES TAX LETTER AND RELATED DOCUMENTS WITH RESPECT TO THE PROJECT;

Resolution No. 09-10-37

WHEREAS, the St. Lawrence County Industrial Development Agency (the "Agency") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State") as amended, and Chapter 358 of the Laws of 1971 of the State, as amended (collectively, the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, Rushton Place, LLC , (the “Company”), has requested the Agency’s assistance with a certain project (the “Project”) consisting of (A) the acquisition of title to or a leasehold interest in property located at 1 Main Street and 5 Riverside Drive, both in the Village of Canton, Town of Canton, St. Lawrence County, State of New York (collectively, the “Land”) and the existing improvements and buildings located thereon (the “Existing Improvements”), (B) the renovation, modernization and equipping of an existing commercial building of approximately 17,000 square feet and demolition of a former Laundromat for construction of a parking lot (the “Improvements”) the 1st floor to be used for commercial space and the 2nd floor to be used for residential space and the former Laundromat to be used for parking and (C) the acquisition in and around the Improvements of certain items of equipment and other tangible personal property (the “Equipment,” and with the Land, the Existing Improvements and the Improvements are collectively the “Facility”); and

WHEREAS, pursuant to the Act and by resolution adopted August 12, 2009, the Agency (i) accepted the Application submitted by the Company and described the Project; (ii) authorized a public hearing relating to the Project; (iii) adopted SEQRA findings with respect to the Project; and (iv) described the forms of financial assistance been contemplated by the Agency;

WHEREAS, pursuant to and in accordance with the Act, the Agency duly scheduled, noticed and conducted a public hearing on September 16, 2009 relating to the Project whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views, the minutes of such 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, the Agency’s Uniform Tax Exemption Policy (“UTEP”) provides that sponsors of non-industrial projects must secure the consent of local taxing authorities in order to structure the terms of a payment-in-lieu-of-taxes agreement (“PILOT Agreement”) with the Agency; and

WHEREAS, the Agency has requested the support and consent of St. Lawrence County, the Town of Canton, the Village of Canton and the Canton Central School District (collectively, the “Taxing Authorities”) in establishing a negotiated PILOT Agreement for the Project; and

WHEREAS, the Taxing Authorities, excluding St. Lawrence County, have consented to the PILOT Agreement pursuant to consent certificates delivered to the Agency and attached hereto as Exhibit B (the “Consent Certificates”), and St. Lawrence County, due to its long standing policy of accepting the payment terms of any PILOT Agreement negotiated by the other Taxing Authorities, will recognize the Consent Certificates executed by the other Taxing Authorities and abide by the terms of a negotiated PILOT Agreement;

WHEREAS, it is contemplated that the Agency will (i) negotiate and execute an agent agreement pursuant to which the Agency will designate the Company as its agent for the purpose of undertaking the Project (the “Agent Agreement”) and (ii) provide financial assistance to the Company in the form of a sales and use tax exemption for purchases and rentals related to the undertaking of the Project; and

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

Section 1. Subject to the Company executing the Agent 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 undertaking of the Project and hereby appoints the Company, and their respective agents and other designees, 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.

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

Section 3. The Agency hereby authorizes the execution and delivery of the Agent Agreement, substantially in the form attached hereto as Exhibit C, along with the issuance of a Sales Tax Exemption Letter to the Company, as agent of the Agency in furtherance of the Project, along with the filing of Forms ST-60 and ST-120.1.

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. The Agent Agreement and any and all related documents shall expire on December 31, 2009 unless extended pursuant to the terms of the Agent Agreement.

Section 6. This Resolution shall take effect immediately.

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

MEMBER	AYE	NAY	ABSTAIN	ABSENT
Lynn Blevins	X			
Jon R. Greenwood				X
Ernest LaBaff	X			
Andrew J. McMahon	X			
Frederick S. Morrill	X			
Brian W. Staples	X			
R. Joseph Weekes, Jr.	X			

The resolution was thereupon declared duly adopted.

EXHIBIT A

Public Hearing

EXHIBIT B

Consent Certificates

EXHIBIT C

Agent Agreement