

FINAL RESOLUTION
(CPG Phase III Limited Partnership)

A regular meeting of the City of Yonkers Industrial Development Agency was convened on Wednesday, February 24, 2016.

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

Resolution No. 2/2016 - 06

RESOLUTION OF THE CITY OF YONKERS INDUSTRIAL DEVELOPMENT AGENCY (i) MAKING A DETERMINATION PURSUANT TO THE NEW YORK STATE ENVIRONMENTAL QUALITY REVIEW ACT AND (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT AGREEMENT, LEASE AGREEMENT, LEASEBACK AGREEMENT, TAX AGREEMENT, TAX AGREEMENT MORTGAGE, MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE COMMUNITY BUILDERS, INC. PROJECT (AS MORE FULLY DESCRIBED BELOW)

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 83 of the Laws of 1982 of the State of New York, as amended (hereinafter collectively called the "Act"), the **CITY OF YONKERS INDUSTRIAL DEVELOPMENT AGENCY** (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, **CPG PHASE III LIMITED PARTNERSHIP**, a New York limited liability company, for itself or on behalf of an entity to be formed (the "Company"), has requested the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in certain land located at #3, #5 and #7 Cottage Place Gardens (the "3A Project Site") and at 209 Warburton Avenue and 150 Woodworth Avenue (the "3B Project Site"), in the City of Yonkers, New York (the "Land") and the existing improvements located thereon (collectively, the "Existing Improvements"); (ii) the demolition of fifty-six (56) existing units of public housing in three (3) walk-up buildings on the 3A Project Site and twenty-one (21) units of Section 8 housing on the 3B Project Site; (iii) the construction and equipping of four (4) four-story row house-style walkup apartment buildings consisting of seventy (70) mixed-income residential units (consisting of twenty-six (26) 2-bedroom units, thirty-five (35) 3-bedroom units, and nine (9) four-bedroom units) comprised of, in the aggregate, approximately 82,245 square feet (the "Apartment Improvements"); (iv) the construction of approximately 20,907 square feet in parking accommodations for approximately seventy (70) vehicles (the "Parking Improvements" (v) the construction of related sitework improvements and amenities including a green space, a children's play area and certain private backyards (collectively, the "Sitework Improvements", and together with the Apartment

Improvements and the Parking Improvements, the "Improvements"); and (vi) the acquisition of and installation in and around the Existing Improvements and 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, the Apartment Improvements will consist of approximately 14 units restricted to residents with incomes at or below 30% of the area median income; 18 units restricted to residents earning 50% or less of the area median income; 16 units restricted to families earning between 30% and 50% of the area median income; 12 units restricted to families earning between 50% and 60% of the area median income; 3 units restricted to residents with incomes between 60% and 80% of the area median income; and seven (7) units for market rate renters with no income restrictions; and

WHEREAS, pursuant to Article 18-A of the General Municipal Law the Agency desires to adopt a resolution describing the Project and the Financial Assistance (as described below) that the Agency is contemplating with respect to the Project; and

WHEREAS, January 29, 2016, the Agency adopted a resolution (the "Initial Resolution") directing that a public hearing be held and that an agent agreement (the "Agent Agreement"), lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement"), tax agreement (the "Tax Agreement") and tax agreement mortgage (the "Tax Agreement Mortgage") and related documents be negotiated; and

WHEREAS, pursuant to General Municipal Law Section 859-a, on February 17, 2016, at 5:30 p.m. local time, at the offices of the Agency at 470 Nepperhan Avenue, Suite 200, Yonkers, New York 10701, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as defined in the Initial Resolution) 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 the Public Hearing together with the Notice of Public Hearing published and forwarded to the affected taxing jurisdictions ten (10) days prior to said Public Hearing are attached hereto as **Exhibit A**; and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), the Agency must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to undertake the Project; and

WHEREAS, the Agent Agreement, Lease Agreement, Leaseback Agreement, Tax Agreement, Tax Agreement Mortgage and related documents are being negotiated and will be presented to President for execution upon approval of this resolution.

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

Section 1. The City of Yonkers Planning Board has conducted a review of the Project pursuant to Article 8 of the Environmental Conservation Law and 6 N.Y.C.R.R. Part 617 (collectively referred to as "SEQRA"). In addition to classifying the Project as an Unlisted Action, the City of Yonkers Planning Board issued a Negative Declaration on January 15, 2014 (attached hereto as **Exhibit B**) determining that the Project did not present a potential significant adverse environmental impact. The Agency, having reviewed the materials presented by the Company, including but not limited to, the Short Environmental Assessment Form dated December 23, 2013, further determines that the Project does not pose a potential significant adverse environmental impact and thus ratifies the Negative Declaration previously issued by the City of Yonkers Planning Board pursuant to 6 N.Y.C.R.R. § 617.7.

Section 2. The public hearing held by the Agency on February 17, 2016, concerning the Project and the Financial Assistance was duly held in accordance with the Act, including but not limited to the giving of at least ten (10) days published notice of the Public Hearing (such notice also provided to the Chief Executive Officer of each affected tax jurisdiction), affording interested parties a reasonable opportunity, both orally and in writing, to present their views with respect to the Project.

Section 3. Subject to the Company executing an Agent Agreement (in a form to be approved by Counsel to the Agency and/or Transaction Counsel) 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 Agent Agreement shall expire on **December 31, 2016** (*unless extended for good cause by the President and/or Executive Director of the Agency*) if the Lease Agreement, Leaseback Agreement, Tax Agreement and Tax Agreement Mortgage contemplated have not been executed and delivered.

Section 4. Based upon the representation and warranties made by the Company in its application for financial assistance, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to **\$14,306,783.00**, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed **\$1,269,727.00**. The Agency agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

Section 5. Pursuant to Section 875(3) of the New York General Municipal Law, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project. As a condition precedent of receiving sales and use tax exemption benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 6. The Chairman, Vice Chairman, President, Executive Director and/or the CFO of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Lease Agreement, Leaseback Agreement, Tax Agreement, Tax Agreement Mortgage, Agent Agreement and related documents with such changes as shall be approved by the Chairman, Vice Chairman, President, Executive Director and/or the CFO upon execution; provided, 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.

Section 7. The Chairman, Vice Chairman, President, Executive Director and/or the CFO 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 identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project, acquire the Facility and/or finance or refinance equipment and other personal property and related transactional costs (hereinafter, with the Agent Agreement, Lease Agreement, Leaseback Agreement, Tax Agreement and Tax Agreement Mortgage, 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, President, Executive Director and/or the CFO of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman, President, Executive Director and/or the CFO 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 8. 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 9. These Resolutions shall take effect immediately upon adoption.

	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Absent</i>
Mayor Mike Spano	[✓]	[]	[]	[]
Deputy Mayor Susan Gerry	[✓]	[]	[]	[]
Martin Ball, Sr.	[✓]	[]	[]	[]
Melissa Nacerino	[]	[]	[]	[✕]
Hon. Cecile D. Singer	[]	[]	[]	[✕]
Peter Kischak	[✓]	[]	[]	[]
Robert Maccariello	[✓]	[]	[]	[]

The Resolutions were thereupon duly adopted.

CERTIFICATION
(CPG Phase III Limited Partnership)

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

I, SUSAN GERRY, the undersigned Secretary of the City of Yonkers Industrial Development Agency DO HEREBY CERTIFY:

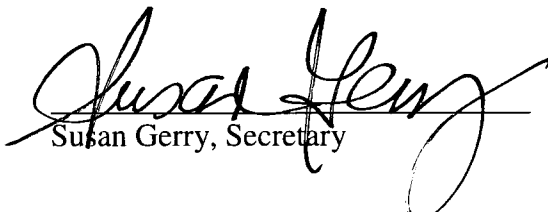
That I have compared the annexed extract of minutes of the meeting of the City of Yonkers Industrial Development Agency (the "Agency"), including the resolution contained therein, held on February 24, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of 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 27 day of February, 2016.


Susan Gerry, Secretary

[SEAL]

Resolution No. 02/2016-06
Final Resolution: CPG Phase III Limited Partnership
February 24, 2016

EXHIBIT A

[Notice Documents]

Attached hereto

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EXHIBIT A

[Negative Declaration of City of Yonkers Planning Board]

Attached hereto