

INITIAL RESOLUTION
(Leggiadro International, Inc. Project)

A regular meeting of the City of Yonkers Industrial Development Agency was convened on February 24, 2015.

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

Resolution No. 2/2015 – 05

RESOLUTION OF THE CITY OF YONKERS INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF LEGGIADRO INTERNATIONAL, INC., WITH RESPECT TO A CERTAIN PROJECT (AS DESCRIBED BELOW) LOCATED AT 65 MAIN STREET IN YONKERS, NEW YORK; (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT.

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”), **CITY OF YONKERS 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, **LEGGIADRO INTERNATIONAL, INC.**, for itself or on behalf of an entity to be formed (the “Company”) has submitted an application to the Agency requesting the Agency’s assistance with a certain project (the “Project”) consisting of, in the aggregate: (i) the acquisition of fee title to or other interest in a parcel or parcels of land located at 65 Main Street and any existing improvements thereon (the “Land”); (ii) the acquisition, construction, renovation, reconstruction on the Land of a luxury clothing factory, cutting room, warehouse, design and administrative offices, and outlet retail store, as well as on-site improvements and upgrades, including but not limited to electrical, plumbing, heating, central HVAC improvements, together with other, related improvements (the “Improvements”); and (iii) the acquisition and installation in and around the Improvements of certain items of equipment and other tangible personal property (the “Equipment”, and collectively with the Land and the Improvements, the “Facility”); 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 that the Agency is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Agency will hold a public hearing and (i) negotiate an agent agreement, pursuant to which the Agency will designate the Company as its

agent for the purpose of acquiring, constructing, reconstructing, renovating and equipping the Project (the “Agent Agreement”), (ii) negotiate and enter into a lease agreement (the “Lease Agreement”), leaseback agreement (the “Leaseback Agreement”) and tax agreement (the “Tax Agreement”) with the Company, and, if required by the Agency, a Tax Agreement mortgage (the “Tax Agreement Mortgage”), (iii) take title to or a leasehold interest in the Land, the Existing Improvements, the Improvements and personal property constituting the Project (once the Lease Agreement, Leaseback Agreement and Tax Agreement (and Tax Agreement Mortgage, if applicable) have been negotiated), and (iv) provide financial assistance (the “Financial Assistance”) to the Company in the form of (a) a sales and use tax exemption for purchases and rentals related to the acquisition, construction and equipping of the Project, (b) a partial real property tax abatement structured through the Tax Agreement, and (c) a mortgage recording tax exemption for the financing related to the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

Section 1. The Company has presented an Application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company’s Application, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Agency has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in the City of Yonkers and otherwise furthering the purposes of the Agency as set forth in the Act;

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the “State”) to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company’s application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

(E) The Project will not result in the removal of a facility or plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the “State”) to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company’s Application, to the extent occupants are relocating

from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other facility or plant to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

Section 2. The Chairman, Vice Chairman, President, Executive Director and/or the CFO of the Agency are hereby authorized, on behalf of the Agency, to (A) hold a public hearing in compliance with the Act, and (B) negotiate, but not execute (1) an Agent Agreement, pursuant to which the Agency appoints the Company as its agent to undertake the Project, (2) a Lease Agreement, pursuant to which the Company leases the Project to the Agency, (3) a related Leaseback Agreement, pursuant to which the Agency leases its interest in the Project back to the Company, (4) a Tax Agreement, pursuant to which the Company agrees to make certain payments in lieu of real property taxes for the benefit of the affected tax jurisdictions, (5) a Tax Agreement Mortgage, and (6) related documents; provided (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 Tax Agreement is consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation therefrom have been complied with.

Section 3. 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 4. 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:

Resolution No. 2/2015 – 05
 Initial Resolution – Leggiadro International, Inc. Project
 February 24, 2015

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

The Resolutions were thereupon duly adopted.

SECRETARY’S CERTIFICATION
(Leggiadro International, Inc.)

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

The undersigned, Susan Gerry, being the Secretary of the City of Yonkers Industrial Development Agency, DOES HEREBY CERTIFY THAT:

I have compared the foregoing extract of the minutes of the meeting of City of Yonkers Industrial Development Agency (the “Agency”) including the resolution contained therein, held on the 24 day of February 2015, 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 relates to the subject in 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.

24 IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this day of February, 2015.



Susan Gerry, Secretary