INITIAL PROJECT RESOLUTION #2018-03
(Chicota Inc. Project)

A regular meeting of the County of Franklin Industrial Development Agency was convened on Wednesday April 11, 2018, at 10:05 a.m. in the Ember Room of Hotel Saranac, 100 Main Street, Saranac Lake, New York 12983.

The meeting was called to order by Justus Martin, Board Chair, with the following members being:

PRESENT: Andrea Dumas
         James T. Ellis
         Melinda “Lindy” Ellis
         Sherry Langdon
         Rodrique Lauzon
         Justus Martin
         David J. Yando

ABSENT: None

THE FOLLOWING PERSONS WERE ALSO PRESENT:
Maria Bourgeois, Executive Assistant
Jeremy Evans, Chief Executive Officer
Frank DiFiore, Malone Telegram
Glynis Hart, Adirondack Daily Enterprise
S. Russ Kinyon, Franklin County Economic Development Office
Calli Shelton, Chicota, Inc.

On motion duly made by Ms. L. Ellis and seconded by Mr. Lauzon, Resolution #2018-03 was placed before the members of the County of Franklin Industrial Development Agency:

Resolution No. 2018 - 03

RESOLUTION OF THE COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY (THE “AGENCY”) (i) ACCEPTING THE APPLICATION OF CHICOTA INC. (THE “COMPANY”) IN CONNECTION WITH A PROPOSED PROJECT (AS FURTHER DESCRIBED HEREIN); (ii) AUTHORIZING THE SCHEDULING AND CONDUCT OF A PUBLIC HEARING; AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 453 of the Laws of 1970 of the State of New York, as amended (hereinafter collectively called the “Act”), the COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY (hereinafter called “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 industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, CHICOTA INC., for itself and/or on behalf of an entity or entities to be formed (collectively, the “Company”), has submitted an application to the Agency requesting the Agency’s assistance with a certain project (the “Project”) consisting of (i) the appointment of the Company as agent of the Agency to undertake the redevelopment of property located at 27 Broadway, Saranac Lake, New York (the “Land”, being identified as TMID No. 447.69-8-2) along with existing improvements located thereon consisting principally of an approximately 10,000 square foot, multi-story and vacant row building, along with related infrastructure improvements (the “Existing Improvements”); (ii) the demolition and rehabilitation of portions of the Existing Improvements and the planning, design, construction, operation and leasing by the Company of a multi-tenant, mixed use redevelopment project that will include a bar and restaurant facility, event space, cooking school and residential apartments, along with related building systems, windows, roof, electric and other utility improvements, signage, curbage, sidewalks, and landscaping improvements (collectively, the “Improvements”); (iii) the acquisition of and installation in and around the Existing Improvements and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the “Equipment” and, collectively with, the Land, the Existing Improvements and the Improvements, the “Facility”); and

WHEREAS, the Agency is contemplating providing financial assistance to the Company with respect to the Project (collectively, the “Financial Assistance”) in the form of an exemption from all State and local sales and use taxes with respect to qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction or equipping of the Facility; and

WHEREAS, the Agency intends to describe the Project, accept the Application, describe the forms of Financial Assistance contemplated by the Agency and authorize the scheduling and conduct of public hearing(s) pursuant to and in accordance with the Act.

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

Section 1. Based upon the representations made by the Company to the Agency in the 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) It is desirable and in the public interest for the Agency to appoint the Company as agent to undertake the Project; and
(C) Subject to the terms and conditions set forth within Section 4, hereof, the Agency has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Agency will induce the Company to undertake the Project, thereby increasing employment opportunities in the Village of Saranac Lake, and otherwise furthering the purposes of the Agency as set forth in the Act; 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 proposed financial assistance being contemplated by the Agency includes an exemption from all state and local sales and use taxes with respect to the qualifying personal property included within the Project or used in the acquisition, construction or equipping of the Project.

Section 3. The Agency further authorizes the scheduling and conduct of a public hearing as required by Section 859-a of the Act (the "Public Hearing").

Section 4. The Agency’s formal inducement to undertake the Project and approve the Financial Assistance shall be by one or more further resolutions of the Agency and shall be subject to the terms and conditions as are set forth therein.

Section 5. The Chairman, Vice Chairman and the Chief Executive Officer of the Agency are hereby authorized and directed to negotiate, but not execute, a certain Agent and Financial Assistance and Project Agreement (the “Agent Agreement”) and related documents to undertake Project and provide the Financial Assistance.

Section 6. Harris Beach PLLC, as Transaction Counsel for the Agency, is hereby authorized to work with counsel to the Company and others to prepare for submission to the Agency all documents necessary to conduct the Public Hearings and effect the authorization and undertaking of the Project.

Section 7. The Chairman, Vice Chairman and Chief Executive Officer of the Agency are hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 8. This Resolution shall take effect immediately.
STATE OF NEW YORK  )
COUNTY OF FRANKLIN  ) SS:

I, the undersigned Secretary of the County of Franklin Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the County of Franklin Industrial Development Agency (the “Agency”), including the resolution contained therein, held on April 11, 2018, 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 11th day of April, 2018.

[Signature]
David J. Zando, Secretary

[SEAL]