

**Griffiss Local Development Corporation
Board of Directors Meeting Minutes
584 Phoenix Drive - Rome, NY
May 23, 2018 - 4:00 p.m.**

Members Present: Elis Delia; Frank Vetrone; Chad Lawrence; Eric Pietrowski; James Cusack; Kevin Martin; Deb Grogan; Erin Weiman.

Others Present: Fred Arcuri; Anthony Gerardo; Maureen Carney; Steve DiMeo; Camille Kahler

Mr. Delia called the meeting to order at 4:00 p.m.

Upon a motion duly made, and seconded, the board unanimously approved the minutes from the April board meeting.

Financials:

Ms. Carney presented the interim monthly financial statements, citing the decrease in cash from the previous year due to outstanding grant reimbursements. She stated that everything else is tracking as anticipated.

Committee Reports

Mr. Delia stated that there were no Committee reports at this time.

Sale or Lease of Property:

Mr. Arcuri provided an updated schedule for Alion to occupy B778. Mr. Arcuri asked that the full board provide the Executive Committee with the authority to approve the lowest responsible bidder for the construction, as the bid dates would fall prior to the next regular meeting, and time is of the essence in that project.

Upon a motion duly made, and seconded, the board unanimously provided the Executive Committee with the authority to select the lowest responsible bidder for the B778 project, and enter into a contract with same.

Upon a motion duly made, and seconded, the board voted unanimously to enter into executive session to discuss the potential sale or lease of real property at 4:20 p.m.

Upon a motion duly made, and seconded, the board voted unanimously to exit executive session at 4:33 p.m.

Ms. Kahler and Mr. DiMeo presented the board with the corporate and financial structure associated with the formation of 99 Otis Street LLC, specifically as it pertained to their commitment to the project. Staff provided the board with a formal resolution, in advance of the meeting, a copy of which is attached hereto and made a part hereof, as Exhibit A.

Upon a motion duly made, and seconded, the board unanimously approved the resolution, as presented.

There being no further business, the meeting was adjourned by consensus 4:40 p.m.

Respectfully submitted,

Frederick Arcuri

RESOLUTIONS
(99 Otis Street Project)

WHEREAS, on or about January 12, 1999 the County of Oneida, Griffiss Local Development Corporation ("GLDC"), the City of Rome, the Town of Floyd and the Oneida County Industrial Development Agency ("OCIDA") entered into a memorandum of understanding (the "MOU") with respect to certain aspects of the re-use and re-development of the former Griffiss Air force Base (the "Base"); and

WHEREAS, on or about May 25, 2000 the Secretary of the Air Force (the "Air Force"), OCIDA and GLDC entered into an economic development conveyance agreement pertaining to various portions of the Base, which agreement has since been amended from time to time (said agreement, as amended, is hereinafter referred to as the "EDC Agreement"); and

WHEREAS, pursuant to the terms and provisions of the EDC Agreement, the Air Force conveyed a 100± acre parcel of real property ("Parcel F2") and an 11± acre parcel ("Parcel F5") to OCIDA by means of (i) a Quitclaim Deed dated July 31, 2000 and recorded on June 27, 2001 in the Oneida County Clerk's Office in Liber 2977 at Page 228 and (ii) a Quitclaim Deed dated October 25, 2007 and recorded on September 3, 2008 in the Oneida County Clerk's Office as Instrument No. 2008-014912, respectively; and

WHEREAS, OCIDA, as lessor, leased Parcel F2 and Parcel F5 to GLDC, as lessee, pursuant to that certain Lease Agreement dated as of July 1, 2012 (the "Existing Lease Agreement"), a memorandum of which was recorded on July 30, 2012 in the Oneida County Clerk's Office as Instrument No. 2012-012760; and

WHEREAS, OCIDA and GLDC also entered into that certain Payment in Lieu of Tax Agreement dated as of July 1, 2012 (the "Existing PILOT Agreement") with respect to Parcel F2 and Parcel F5; and

WHEREAS, OCIDA and GLDC also entered into that certain Environmental Compliance and Indemnification Agreement dated as of July 1, 2012 (the "Existing Environmental Indemnity Agreement") with respect to Parcel F2 and Parcel F5; and

WHEREAS, Parcel F2 and Parcel F5, which are part of the Griffiss Business & Technology Park, Rome, New York (the "Griffiss Business Park"), include that certain 5.0± acre parcel of land (the "Land") and the buildings and other improvements situate thereon (collectively, the "Improvements") (the Land and the Improvements being, collectively, the "99 Otis Street Property") situate at the intersection of Otis Street and Hangar Road in the Griffiss Business Park; and

WHEREAS, GLDC and New York State Technology Enterprise Corporation ("NYSTEC") jointly intend to form a New York State not-for-profit entity (the "Company") that will develop a high technology office building at the 99 Otis Street Property; and;

WHEREAS, it is intended that the Company would be owned 55.55% by GLDC and 44.45% by NYSTEC and that its initial manager would be Steven J. DiMeo; and

WHEREAS, it is intended that all major decisions concerning construction, financing, leasing and operation of the Company would be undertaken jointly between GLDC and NYSTEC; and

WHEREAS, the Company will undertake a project wherein it will develop and construct a two-story 32,110 square foot office building and (i) enter into a sublease agreement with NYSTEC whereby NYSTEC will fit out and occupy the second-floor space; and (ii) create two (2) first floor office suites which will be fit out and leased to future high technology tenants (the "Company Project"); and

WHEREAS, in furtherance of the Company Project and in order to facilitate the same, GLDC has asked OCIDA to (a) release the 99 Otis Street Property from the Existing Lease Agreement, the Existing PILOT Agreement, the Existing Environmental Indemnity Agreement, and any other documents and/or instruments executed in connection with the Existing Lease Agreement (all of the foregoing items in this subparagraph (a) being hereinafter referred to as the "Existing Lease Agreement Documents") and (b) enter into a new lease agreement (the "New Lease Agreement"), a new PILOT Agreement (the "New PILOT Agreement"), a new Environmental Indemnity Agreement (the "New Environmental Indemnity Agreement"), and various documents related thereto with the Company (all of the foregoing items in this subparagraph (b) being hereinafter collectively referred to as the "New Lease Agreement Documents", and the transaction to be effected thereby being hereinafter referred to as the "New Lease Agreement Transaction"); and

WHEREAS, OCIDA has indicated its willingness to release the 99 Otis Street Property from the Existing Lease Agreement Documents pursuant to a release agreement (the "Release Agreement") and pursuant to various related documents and/or instruments (the Release Agreement and such related documents and/or instruments being hereinafter collectively referred to as the "Release Agreement Documents" and the transaction to be effected thereby being hereinafter referred to as the "Release Agreement Transaction"); and

WHEREAS, pursuant to the terms and conditions of the MOU, GLDC has notified OCIDA that it desires to acquire the fee simple title to the 99 Otis Street Property from OCIDA for the sum of One Dollar (\$1.00) as soon as is reasonable practicable; and

WHEREAS, upon its acquisition of the fee simple title to the 99 Otis Street Property, GLDC intends to transfer and convey the same to the Company (the "Real Property Sale Transaction") for the price of One Hundred Twenty-Five Thousand Dollars (\$125,000.00) reflecting a portion of GLDC's capital contribution to the Company; and

WHEREAS, the Company intends to enter into a certain sublease agreement (the "Sublease") whereby the Company subleases 16,779± square feet of the Building to NYSTEC for a term of not less than twenty (20) years (with the option to renew for two (2) five (5) year terms); and

WHEREAS, the Company intends to finance the Company Project through a combination of certain loans, grants and contributions from various sources, including a construction loan from M&T Bank to the Company in the amount of \$3,000,000 and a permanent mortgage loan in the amount of \$2,613,000 (the "M&T Financing"); and a permanent mortgage loan in the amount of up to \$841,820 (the "M&T Financing") for fit-out of the first floor tenant space when either or both office suites are leased to tenants; and

WHEREAS, the Company intends to finance it's the Company Project through a combination of loans from various economic development lenders in the amount of Eight Hundred Twenty-Five Thousand Dollars (\$825,000.00) through (i) a loan from Economic Development Growth Enterprises Corporation in the amount of \$250,000; (ii) a loan from Mohawk Valley Economic Development District Title IX Account in the amount of \$300,000; (iii) a loan from Rome Industrial Development Corporation in the amount of \$137,500; and (iv) a loan of \$137,500 from the Utica Industrial Development Corporation CDFI Loan Fund; and

WHEREAS, As part of its equity investment in the Company, GLDC will provide a total of \$1,875,000, which shall consist of (i.) cash injection of \$250,000; (ii.) contributed land value of \$125,000; and (iii.) GLDC will earmark a grant from New York State Regional Development Corporation (Z059) in the sum of \$1,100,000.00 and \$400,000 in ESD funds that it is to receive from AC291 grant (collectively, the "Project Financing"); and

WHEREAS, NYSTEC as part of its equity investment in the Company will provide a total cash contribution of \$1,500,000; and will also be responsible for the cost to fit-out its space, at an additional cost of \$921,340; and

WHEREAS, Subject to receipt of funding from the 2018-2019 Base Redevelopment Account administered through ESD and is an appropriation in the 2018-2019 adopted NYS budget, GLDC will setaside \$500,000 that it expects to receive and allocate said funds as follows: (i.) appropriate \$250,000 as a project contingency to cover any additional costs for the design and construction of the base building, which is currently estimated at \$6,813,000, and if any funds are remaining upon completion of the base building apply said excess to reduce the amount of the M&T Financing mortgage loan currently estimated at \$2,613,000; and (ii.) apply \$250,000 as a write down against the cost of the \$841,820 mortgage loan from M&T bank for fit out costs for the first floor space, thus reducing the M&T loan from \$841,820 to \$591,820; and

WHEREAS, in connection with the M&T Financing, M&T Bank may require that GLDC enter into a guaranty or other agreements (the "GLDC/M&T Agreements"); and

WHEREAS, GLDC has determined that it would be in furtherance of its corporate purpose to enter into the joint venture transaction with NYSTEC to facilitate the development of a new state of the art high technology office building in the Griffiss Business Park.

NOW, THEREFORE, be it

RESOLVED, that GLDC enter into, execute and deliver the Release Agreement Documents and any other documents or instruments necessary to effect the Release Agreement Transaction, all in such form and content as may be satisfactory to GLDC and its counsel; and be it further

RESOLVED, that GLDC execute and deliver the documents for the M&T Financing, which shall contain such terms and conditions as are satisfactory to GLDC and GLDC's counsel; and be it further

RESOLVED, that GLDC enter into, execute and deliver those certain agreements with NYSTEC to (i) form the Company and (ii) establish the method by which the Company will be managed; and it is further

RESOLVED, that GLDC execute and deliver such further loan and grant agreements which shall contain such terms and conditions as are satisfactory to GLDC and GLDC's counsel as are set forth herein; and be it further

RESOLVED, that GLDC be authorized, in its capacity as a member and/or shareholder in the Company, to execute the New Lease Agreement, the New PILOT Agreement, the New Environmental Indemnity Agreement and the various documents comprising the New Lease Agreement Documents and the New Lease Agreement Transaction; and it is further

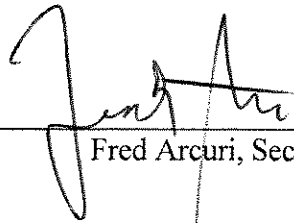
RESOLVED, that any one of the Chairman, the Vice Chairman, GLDC's Authorized Representative and the other officers of GLDC, acting singly, is hereby authorized and empowered to accept, enter into and/or execute any deed, agreement, instrument and/or document including, without limitation, the Release Agreement Documents for the Company Project to effectuate the Release Agreement Transaction, the Real Property Sale Transaction, the Project Financing, the M&T Financing, the GLDC/M&T Agreements, and take any action, as may be necessary or desirable in order to carry out and effect the transactions hereinabove authorized; and it is further

RESOLVED, that any and all actions heretofore or hereafter taken by any of the Authorized Officers with the intent or terms of the foregoing Resolutions be, and they hereby are, ratified and confirmed as the act and deed of GLDC.

SECRETARY'S CERTIFICATE

The undersigned, being the duly elected Secretary of Griffiss Local Development Corporation, hereby certifies that the attached Resolutions of the Corporation as of May 23, 2018, is a true and accurate copy of the original contained in the records of the Corporation.

Dated: May 23, 2018



Fred Arcuri, Secretary