

FINAL RESOLUTION

(PS 6 Limited Partnership – Cottage Place Gardens Project)

A regular meeting of City of Yonkers Industrial Development Agency was convened on Wednesday, August 22, 2012, at 10:30 a.m.

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

Resolution No. 08/2012 - 01

RESOLUTION OF THE CITY OF YONKERS INDUSTRIAL DEVELOPMENT AGENCY (i) ACKNOWLEDGING THE PUBLIC HEARING HELD WITH RESPECT TO THE PS 6 LIMITED PARTNERSHIP – COTTAGE PLACE GARDENS PROJECT (AS MORE FULLY DESCRIBED BELOW) AND (ii) AUTHORIZING THE EXECUTION AND DELIVERY OF THE LEASE AGREEMENT, LEASEBACK AGREEMENT, TAX AGREEMENT, TAX AGREEMENT MORTGAGE, MORTGAGE AND RELATED DOCUMENTS

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, **PS 6 LIMITED PARTNERSHIP**, 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: (A) the acquisition of title to or a leasehold interest in certain land located at 33 Ashburton Avenue, Yonkers, New York (the "Land") and the existing vacant school building (Public School 6) located thereon (the "Existing Improvements"); (B) the demolition of the Existing Improvements; (C) the construction on the Land of two structures containing in the aggregate approximately 156,546 square feet of space consisting of approximately 120 one- two- and three-bedroom living units and underground garage parking to accommodate approximately 91 vehicles, both structures consisting of a mix of community space for tenant use, office space for property management operations, shop areas for maintenance operations and related amenities, including within one or both structures of a community room, a computer lab and on-site laundry facilities (the "Building Improvements"); (D) the acquisition, construction and installation at the ground floor level of community spaces, landscaped terraces, street trees, public benches, street lighting and finished sidewalks (the "Landscape Improvements" and together with the Building Improvements, the "Improvements"); (E) the acquisition of and installation in and around the Existing Improvements and Improvements of certain items of equipment, machinery and other tangible personal property (the "Equipment", and collectively with the Land, the Existing Improvements, and the Improvements, the "Facility"); and

WHEREAS, on November 29, 2011, the Agency adopted a resolution (the "Inducement Resolution") (1) accepting the Application of the Company with respect to the Project in a form acceptable to the Agency, (2) authorizing the Agency to hold the Public Hearing (as defined below), and (3) describing the Financial Assistance the Agency is contemplating providing to the Company with respect to the Project; and

WHEREAS, pursuant to General Municipal Law Section 859-a, on Tuesday, May 22, 2012 at 5:30 p.m. at Yonkers City Hall, 40 South Broadway, Yonkers, New York, the Agency held a public hearing with respect to the Project and the proposed Financial Assistance (as defined in the Inducement 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 Notice of Public Hearing published and forwarded to the affected taxing jurisdictions prior to said Public Hearing are attached hereto as Exhibit A; and

WHEREAS, in connection with the Project, the Agency contemplates that it will enter into (i) a certain lease agreement (the "Lease Agreement"), pursuant to which the Company leases the Facility to the Agency, (ii) a certain leaseback agreement (the "Leaseback Agreement"), pursuant to which the Agency leases its interest in the Facility back to the Company, (iii) a certain tax agreement (the "Tax Agreement"), by and between the Agency and the Company, pursuant to which the Company agrees to make payments for the benefit of the affected taxing jurisdictions, (iv) a certain tax agreement mortgage or other form of security for amounts paid under the Tax Agreement ("Tax Agreement Mortgage"), and (v) enter into an agent agreement (the "Agent Agreement") pursuant to which the Agency designates the Company as its agent for the purpose of acquiring, constructing and equipping the Project; and

WHEREAS, the City of Yonkers Zoning Board of Appeals, as lead agency, conducted a coordinated review of the Project pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and its implementing regulations at 6 N.Y.C.R.R. Part 617 (collectively referred to as "SEQRA"), which resulted in the issuance of a Negative Declaration on June 19, 2012, concluding the SEQRA process; and

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

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

Section 1. The City of Yonkers Zoning Board of Appeals 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 a Type I Action pursuant to SEQRA, the Commission also issued a Negative Declaration on June 19, 2012 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 Negative Declaration, further determines that the Project does not pose a

potential significant adverse environmental impact and thus ratifies the Negative Declaration previously issued by the Commission pursuant to 6 N.Y.C.R.R. § 617.7.

Section 2. The public hearing held by the Agency on May 22, 2012, 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 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 **March 31, 2013** (unless extended for good cause by the President and CEO of the Agency).

Section 4. The Chairman, Vice Chairman, President and CEO and/or the Chief Fiscal Officer 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 and CEO and/or the Chief Fiscal Officer 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 5. The Chairman, Vice Chairman, President/Chief Executive Officer and/or the Chief Fiscal Officer 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 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/Chief Executive Officer and/or the Chief Fiscal Officer of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman,

President/Chief Executive Officer and/or the Chief Fiscal Officer 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 6. 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 7. 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:

	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Absent</i>
Mike Spano	[✓]	[]	[]	[]
Martin Ball, Sr.	[]	[]	[]	[✕]
Susan Gerry	[✓]	[]	[]	[]
Joy Lawrence	[✓]	[]	[]	[]
Cecile D. Singer	[✓]	[]	[]	[]
Michael Baratta	[✓]	[]	[]	[]
Peter Kischak	[✓]	[]	[]	[]

The Resolutions were thereupon duly adopted.

SECRETARY'S CERTIFICATION

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

I, 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 August 22, 2012, 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 ____ day of August, 2012.

Secretary

[SEAL]

SECRETARY'S CERTIFICATION

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

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

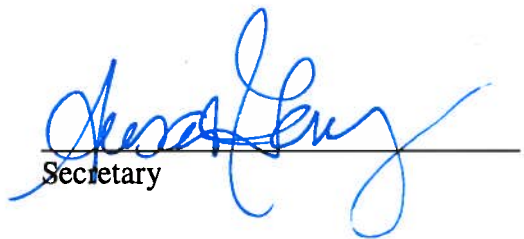
That I have compared the annexed extract of minutes of the meeting of the City of Yonkers Industrial Development Agency (the "Agency"), including the resolution contained therein, held on August 22, 2012, with the original thereof on file in my office, and that the same is a true and correct copy of 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 22 day of August, 2012.


Secretary

[SEAL]

Exhibit A

NOTICE DOCUMENTS