

## RESOLUTION

A regular meeting of the County of Oswego Industrial Development Agency (the “*Agency*”) was convened in public session on May 2, 2012 at 3:00 p.m. at 44 West Bridge Street, Oswego, New York.

The meeting was called to order by the Vice Chair and, upon the roll being duly called, the following members were:

Present: Jonathan Daniels, Donald H. Kunzwiler, H. Leonard Schick,  
Morris Sorbello and Gary T. Toth

Absent: Arthur W. Ospelt and Carolyn A. Rush

Also Present: Kevin C. Caraccioli, David S. Dano, Brian Lauri and L. Michael  
Treadwell

The following resolution was offered by Mr. Schick and seconded by Mr. Kunzwiler:

**RESOLUTION APPOINTING GLENN DONNELLY  
PARTNERS, LLC THE PREFERRED DEVELOPER FOR  
THE PURPOSE OF POSSIBLE FUTURE DEVELOPMENT  
OF A CERTAIN PROJECT AND AUTHORIZING THE  
NEGOTIATION AND EXECUTION OF A PREFERRED  
DEVELOPER AGREEMENT IN A MANNER CONSISTENT  
WITH THE AGENCY’S CORPORATE PURPOSES**

**WHEREAS**, the County of Oswego Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 234 of the Laws of 1973 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

**WHEREAS**, pursuant to the powers and purposes enumerated in the Act, the Agency has been requested to undertake a project (the “*Project*”) consisting in part of: (i) the acquisition of a leasehold or fee interest in approximately 150 acres of improved real property located on Route 11 in the Town of Hastings, New York, Oswego County (the “*Land*”); (ii) (a) the demolition of

an existing building(s) and the construction of: (b) an approximately 46,000 square foot grandstand building with restaurant and related seating, (c) an approximately 1,240 square foot control tower, (d) an approximately 2,400 square foot maintenance building, (e) an approximately 15,700 square foot 56 bay road course garage, (f) an approximately 624 square foot portable office/classroom building, (g) a grandstand, (h) an approximately 2 mile “Watkins Glen” style road course, (i) a one half mile synthetic surface racing oval, (j) a drag strip, (k) associated parking, (l) a tunnel and entrance roads (collectively the “*Facility*” and all located on the Land); for the purpose of preparing the Properties for future development (the Land and Facility collectively referred to as the “*Glenn Donnelly Properties*”); and

**WHEREAS**, Glenn Donnelly Partners, LLC (“*Glenn Donnelly*”) has expressed interest in the future development of the Glenn Donnelly Properties for commercial uses; and

**WHEREAS**, the Agency has determined that a preferred developer for future development of the Glenn Donnelly Properties should be designated early in the Agency’s process of considering whether to proceed with the Project; and

**WHEREAS**, the Agency has determined that Glenn Donnelly is the logical selection for the role of preferred developer in this case; and

**WHEREAS**, the Agency desires, contingent upon the negotiation and execution of a preferred developer agreement, to appoint Glenn Donnelly as the preferred developer for the Glenn Donnelly Properties in the event the Agency authorizes the undertaking of the Project; and

**WHEREAS**, the Agency has not yet authorized the undertaking of the Project or the granting of any financial assistance requested in connection therewith; and

**WHEREAS**, the Agency has not yet made a determination as to whether it will authorize the acquisition of the Glenn Donnelly Properties by eminent domain pursuant to the provisions of the Eminent Domain Proceedings Law of the State of New York (“*EDPL*”); and

**WHEREAS**, the appointment of a preferred developer prior to the Agency making a final determination to undertake the Project and prior to the completion of its environmental review and eminent domain processes neither confers any benefits upon the appointed party nor binds the Agency to any course of conduct; and

**WHEREAS**, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination whether the “Action” (as said quoted term is defined in *SEQRA*) to be taken by the Agency, i.e., authorization of the acquisition of the Properties, may have a “significant effect on the environment” (as said quoted term is defined in *SEQRA*), and the approval of the Project constitutes such an action; and

**WHEREAS**, the Agency has not yet conducted the required environmental review under *SEQRA* nor has it undertaken the process, review, notice or public hearing required by *EDPL* Article 2 for the Project, but fully intends to do so before it makes a final decision on whether to undertake the Project and acquire the Glenn Donnelly Properties by eminent domain; and

**WHEREAS**, the Agency's appointment of a preferred developer and the execution of the PDA (as defined herein) at this early stage is considered a continuing administrative and management step that does not establish new programs or any major reordering of priorities that may affect the environment; and is a prelude to a full environmental review of the Project, it is classified as a SEQRA Type II Action that requires no further review;

**NOW, THEREFORE**, Be It Resolved by the Members of the County of Oswego Industrial Development Agency as follows:

(1) The Agency authorizes the negotiation and execution of a preferred developer agreement in accordance with the terms of the Act, this Resolution, the Agency's corporate purposes and upon advice of counsel, the terms and conditions of which shall include, but not be limited to, an agreement by the Company to: (i) assume full responsibility for all costs associated with the acquisition of the Donnelly Properties, the development of the Project and the Donnelly Properties; (ii) indemnify and hold the Agency harmless with respect to the acquisition and development of the Donnelly Properties, the Project and the PDA; and (iii) provide security sufficient, in the Agency's sole determination, to cover the costs and expenses associated therewith (the "**PDA**").

(2) The Agency hereby appoints, contingent upon the negotiation and execution of the PDA, Glenn Donnelly as the preferred developer for the purpose of potential future development of the Glenn Donnelly Properties in a manner consistent with the Agency's corporate purposes and in accordance with the terms of the PDA to be executed by and between the Agency and Glenn Donnelly.

(3) The Chief Executive Officer of the Agency is hereby authorized to negotiate the terms, consistent with this Resolution and upon the advice of counsel, the PDA and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution, including but not limited to the execution of the PDA.

(4) A copy of this Resolution, together with any attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

(5) This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Jonathan Daniels	X			
Donald H. Kunzwiler	X			
Arthur W. Ospelt				X
Carolyn A. Rush				X
H. Leonard Schick	X			
Morris Sorbello	X			
Gary T. Toth	X			

The foregoing resolution was thereupon declared duly adopted.

**STATE OF NEW YORK** )  
 ) **ss.:**  
**COUNTY OF OSWEGO** )

I, the undersigned, Chief Executive Officer of the County of Oswego Industrial Development Agency, **DO HEREBY CERTIFY** that (i) I have compared the annexed extract of the minutes of the meeting of the County of Oswego Industrial Development Agency (the “**Agency**”) held on May 2, 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 the whole of such original insofar as the same relates to the subject matters referred to therein.

**I FURTHER CERTIFY** that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the seal of the Agency on May 2, 2012.

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L. Michael Treadwell,  
Chief Executive Officer

**(SEAL)**