

RESOLUTION

A special meeting of the County of Oswego Industrial Development Agency was convened in public session on February 27, 2008, at 10:00 o'clock a.m. at the Agency's offices at 44 West Bridge Street, Oswego, New York.

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

PRESENT: Arthur W. Ospelt, Carolyn A. Rush, H. Leonard Schick, Gary T. Toth and L. Michael Treadwell.

ABSENT: Donald H. Kunzwiler and Morris Sorbello

The following person was ALSO PRESENT: Allison Nelson and David S. Dano

The following Resolution was offered by Mr. Schick and seconded by Mr. Ospelt:

RESOLUTION AUTHORIZING THE COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") TO PARTICIPATE IN A REFINANCING FOR G&S BROADWELL, INC.

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, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant financial assistance in connection with one or more "projects" (as defined in the Act); and

WHEREAS, pursuant to the Act, on November 2, 1989, the Agency issued its \$4,383,000 Industrial Development Revenue Bond (G&S Broadwell, Inc. Project) Series 1989 (the "*Prior Bond*") to provide funds for a project ("*Project*") consisting of: (i) refinancing the cost of acquiring, constructing and equipping a 4-story 43-unit hotel/motel located in the City of Oswego, County of Oswego, State of New York (the "*Facility*"), (ii) financing the cost of certain additional improvements to be made to the Facility (the "*Improvements*") (the Improvements together with the Facility are hereinafter collectively referred to as the "*Improved Facility*"), and

(iii) paying the expenses anticipated to be incurred in connection with the issuance of the Prior Bond;

WHEREAS, the Agency, pursuant to the Act, mortgaged its fee interest in the Improved Facility in furtherance of the Project; and

WHEREAS, by resolution adopted on September 23, 1993, the Agency approved the Company's request to assist it further with respect to the Project by proceeding with an undertaking consisting of (1) the purchase of a Prior Bond in the aggregate principal amount of \$4,150,000 by Marine Midland Bank, N.A. by assignment from Fleet Bank of New York f/k/a Norstar Bank of Central NY (the "**Bondholder**"), (2) the assignment and modification of certain existing collateral documents from the Bondholder to Marine Midland, (3) the execution and delivery of certain related documents by the Chairman and the Secretary of the Agency to effect such purchase and assignment, and (4) the issuance of a new bond ("**Bond**") in the principal amount of \$4,150,000; and

WHEREAS, by resolution adopted on November 10, 2000, at the request of the Company, the Agency consented to a modification of the Project to permit the refinancing of the Improved Facility through a redemption of the Bond and the refinancing of a portion of the costs of the Project by granting a mortgage in the amount not to exceed \$3,600,000 (the "**Mortgage**") to be secured by the Improved Facility to the HSBC Bank USA (the "**Bank**"); and

WHEREAS, the Company is requesting that the Agency again assist the Company with respect to the Project by undertaking to consent to and participate in a refinancing of the Mortgage, secured by the Improved Facility, in an amount not to exceed \$2,900,000.00; 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 with respect to the environmental impact of any "action" (as said quoted term is defined by SEQRA) to be taken by the Agency and the approval and consent to a modification of the Project to permit the refinancing of the present debt secured by the Improved Facility, including the remortgage of its fee interest, constitutes such an action;

NOW, THEREFORE, BE IT RESOLVED by the Agency as follows.

Section 1. The Agency hereby approves, finds and determines, contingent upon payment of an Agency fee of 1/8 of 1% (.00125) of the amount of any refinancing (presently estimated to be \$2,783,239.55) obtained to modify the existing debt of the Company on the Improved Facility, payment of the fees of the Agency's counsel and special counsel and reimbursement of any disbursements by the Agency for any purpose authorized herein.

- (a) The Agency hereby approves and consents to a modification of the Project to permit the refinancing of the Improved Facility, including the remortgage of its fee interest, in an amount not to exceed \$2,900,000.00 million. The Agency

further authorizes its Chairman and/or Treasurer to execute documents for such modification, including, but not limited to, an assignment of the present mortgage(s), a new mortgage agreement(s), an assignment of leases and rents, uniform commercial code financing statements, estoppel certificates, general certificates, mortgage recording tax affidavits, opinions of counsel, and such other documents as may be required for the Company's modification of its existing financing, all upon terms and conditions satisfactory to counsel for the Agency.

- (b) The Agency, upon terms and conditions satisfactory to counsel, hereby authorizes the execution and delivery of such other documents as may be requested by the Company and/or a new lender for the refinancing of the Company's outstanding indebtedness for the Improved Facility.
- (c) The Agency hereby authorizes the production, execution and delivery of its general certificate and any opinion of its counsel, all in connection with the above should such be needed.
- (d) The Agency hereby authorizes the production, execution and delivery of such affidavits and certificates (including mortgage recording tax affidavits) required to be delivered to the Oswego County Clerk in connection with the filing of any mortgage documents and it further authorizes the payment of any filing fees or mortgage recording tax due in connection therewith.
- (e) The officers, agents and employees of the Agency are hereby directed to proceed to do such further things or perform such further acts and execute such other documents as are necessary to implement this Resolution.
- (f) Based upon the criteria contained in 6 NYCRR §617.5(d)(23), and all the representations made by the Company in connection with the Project and the refinancing thereof, the Agency makes the following findings and determinations with respect to the Project pursuant to SEQRA:
 - (i) The Project consists of refinancing of the Improved Facility described above in the third WHEREAS clause of this resolution; and
 - (ii) The Project constitutes a "Type II Action" (as said quoted term is defined in SEQRA); and
 - (iii) As a consequence of the foregoing, the Project is not subject to review pursuant to SEQRA and has no significant impact on the environment, and the Agency has no further responsibilities under SEQRA.

Section 2. 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 or

provided for by the provisions of any new mortgage documents on the Improved Facility, and to execute and deliver all such additional certificates, instruments and documents, 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 agency acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of any such mortgage or modification documents and make them binding upon the Agency.

Section 3. 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>
Arthur W. Ospelt	X		
Carolyn A. Rush	X		
H. Leonard Schick	X		
Gary T. Toth	X		
L. Michael Treadwell	X		

The foregoing Resolution was thereupon duly adopted.

State Of New York)
) **SS.:**
County of Oswego)

I, the undersigned Secretary 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 February 27, 2008 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 February 27, 2008.

Secretary

(SEAL)