

Motion By:
Seconded By:

L. Bolzner
R. King

BOND RESOLUTION
(Sycamore Green Housing, L.P. Project)
OSC Code 2602-23-007A

A regular meeting of the County of Monroe Industrial Development Agency (the "Agency"), was held at the Agency's offices located at 50 West Main Street, Rochester, New York 14614, on April 18, 2023 at 12:00 p.m.

After the meeting had been duly called to order, the Chair announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the proposed issuance of the Issuer's County of Monroe Industrial Development Agency Multifamily Tax-Exempt Revenue Bonds (Sycamore Green Housing, L.P. Project), Series 2023, in one or more series, as part of a plan of financing, in an aggregate maximum principal amount not to exceed \$22,000,000.

RESOLUTION AUTHORIZING THE ISSUANCE, EXECUTION, SALE AND DELIVERY BY THE COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY OF ITS MULTIFAMILY TAX-EXEMPT REVENUE BONDS (SYCAMORE GREEN HOUSING, L.P.), SERIES 2023, IN ONE OR MORE SERIES, AS PART OF A PLAN OF FINANCING, IN AN AGGREGATE MAXIMUM PRINCIPAL AMOUNT NOT TO EXCEED \$22,000,000, AND THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS.

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended and Chapter 55 of the Laws of 1972 of the State of New York (collectively, the "Act"), the Agency was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, **SYCAMORE GREEN HOUSING, L.P.**, a New York limited partnership, for itself or a related entity formed or to be formed (the "Company"), the general partner for which will be Sycamore Green Housing GP, LLC, has submitted an application (the "Application") requesting that the Issuer issue its Multifamily Tax-Exempt Revenue Bonds (Sycamore Green Housing, L.P.), Series 2023, in one or more series, as part of a plan of financing (the "Bonds" or the "Series 2023 Bonds"), for the benefit of the Company for the purpose of financing or refinancing a certain project (the "Project"), consisting of: (A) the acquisition of a leasehold interest in an aggregate approximately 9.0±-acre parcel of land located at 17 and 55 Strathmore Circle in the Town of Irondequoit, Monroe County, New York 14609 (collectively, the "Land"), together with the existing (i) approximately 1,080 square-foot management office building and (ii) an aggregate approximately 136,896 square-foot low-income housing complex consisting of 40 one-bedroom units and 155 two-bedroom units housed in 38 two-story walk-up buildings, a maintenance shop, central playground and parking for 206 vehicles (collectively, the "Existing Improvements"); (B) the renovation, refurbishment and upgrading of the Existing Improvements, including, but not limited to, (i) new kitchens, bathrooms, flooring, lighting and façade, (ii) upgrades to the HVAC system and security system;

(iii) repaving of the parking lot; (iv) improvements to landscaping; (v) replacement of playground equipment; and (vi) related amenities and improvements (collectively, the "Improvements"); (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment, fixtures, furniture and other incidental tangible personal property (collectively, the "Equipment", and together with the Land, the Existing Improvements and the Improvements, the "Facility"); (D) the payment of all or a portion of the costs of issuing the Bonds, credit enhancement fees relating to the Bonds, if any, funding a debt service reserve fund, if any, and capitalized interest, if any; and (E) the retention by the Issuer of a leasehold or other interest in the Facility and the lease or sale of the Issuer's interest in the Facility back to the Company (and/or a special purpose housing development fund corporation formed pursuant to Article XI of the Private Housing Finance Law) pursuant to an agreement which shall require the Company to make payments sufficient to fund the debt service payments on the Bonds and make certain other payments; and

WHEREAS, all of the facilities financed and/or refinanced with the Bonds are or will be owned and/or operated by the Company, and are or will be on the Land; and

WHEREAS, the Bonds will constitute exempt facility bonds for qualified residential rental projects under Section 142(a)(7) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, in accordance with Section 147(f) of the Code, the Issuer conducted a public hearing on the issuance of the Bonds on April 17, 2023, following the publication of a notice of said public hearing in the *Democrat & Chronical*; and

WHEREAS, it is anticipated that the County Executive, Monroe County, New York, will approve of the issuance of the Bonds in accordance with Section 147(f) of the Code following this meeting; and

WHEREAS, pursuant to Section 146 of the Code, there must be allocated to the Bonds a portion of the private activity volume cap of the State sufficient to equal the par amount of the Bonds; and

WHEREAS, the Issuer anticipates receiving the allocation of the private activity volume cap of the State sufficient to equal the par amount of the Bonds; and

WHEREAS, the Bonds are to be issued pursuant to a certain Indenture of Trust (the "Indenture"), dated on or about July 1, 2023, by and between the Issuer and a certain trustee (the "Trustee"); and

WHEREAS, in connection with the issuance of the Bonds, the Issuer, the Company and the HDFC, as nominee shall enter into (i) a certain Lease Agreement, dated on or about July 1, 2023 (the "Lease Agreement"), pursuant to which the Company and the HDFC shall lease their respective interests in and to the Facility to the Issuer; (ii) a certain Leaseback Agreement, dated on or about July 1, 2023 (the "Leaseback Agreement"), by and between the Issuer, the Company and the HDFC pursuant to which the Issuer shall lease its interests in and to the Facility to the Company and the HDFC; and (iii) a certain Financing Agreement, dated on or about July 1, 2023 (the "Financing Agreement"), among the Issuer, a certain lender (the "Lender"), the Trustee and the Company, for the purpose of specifying the terms and conditions pursuant to which the Issuer

agrees to undertake the Project with the payments to be made by the Company thereunder to be in an amount sufficient to pay the principal of, premium, if any, and interest on the Bonds; and

WHEREAS, as security for the Bonds (i) the Issuer shall assign to the Trustee substantially all of its rights under the Financing Agreement (except the Reserved Rights as such term is defined therein) pursuant to the terms of a certain Pledge and Assignment, dated on or about July 1, 2023, from the Issuer to the Trustee (the "Pledge and Assignment") and (ii) the Issuer and the Company will grant to the Trustee a mortgage lien on and security interest in the Facility, pursuant to the terms of a certain Mortgage, and Security Agreement, dated on or about July 1, 2023, from the Issuer and the Company to the Trustee (the "Mortgage"); and

WHEREAS, a certain underwriter (the "Underwriter"), shall purchase the Bonds in accordance with a certain Bond Purchase Agreement to be dated the date of sale of the Bonds (the "Bond Purchase Agreement"); and

WHEREAS, the Issuer, the Company and the HDFC deem it necessary and proper to enter into Payment-In-Lieu-Of-Tax Agreement, dated on or about July 1, 2023 (the "PILOT Agreement"), making provisions for payments in lieu of taxes; and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article 8 of the New York Environmental Conservation Law and the regulations adopted pursuant thereto including those identified at 6 N.Y.C.R.R. Part 617.1 et seq., as amended (collectively referred to as "SEQRA"), the Issuer, as necessary, must undertake an environmental review of certain actions including funding of the Project to determine if same will have an impact on the environment prior to making a final determination as to whether to undertake the Project; and

WHEREAS, the Issuer reasonably expects that it will (i) pay or incur certain capital expenditures in connection with the Project prior to the issuance of the Bonds; (ii) use funds from sources other than proceeds of the Bonds which are or will be available on a short-term basis to pay for such capital expenditures; and (iii) reimburse itself for the use of such funds with proceeds of the Bonds.

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

Section 1. The Issuer hereby finds and determines:

(a) By virtue of the Act, the Issuer 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) The Project will promote and maintain permanent private sector jobs, health, general prosperity and economic welfare of the citizens of the State of New York and improve their standard of living and will increase the overall number of permanent private sector jobs in the State and thereby serve the public purposes of the Act; and

(c) The Project and the operations conducted therein will not cause or result in the violation of the health, labor or other laws of the United States of America, the State of New York, or Monroe County; and

(d) It is desirable and in the public interest for the Issuer to issue and sell the Bonds upon the terms and conditions as are hereafter set forth in the Indenture for the purpose of assisting in financing the Project; and

(e) The public hearing held by the Issuer on April 17, 2023, concerning the issuance of the Bonds was duly held in accordance with the requirements of the Code, including but not limited to the giving of public notice of the hearing a reasonable time before the hearing and affording a reasonable opportunity for persons with differing views on the issuance of the Bonds to be heard; and

(f) Pursuant to SEQRA, the Project constitutes a "Type II Action" as said term is defined in SEQRA, and therefore no further action is required to be taken under SEQRA; and

(g) The Project will not result in the removal of a facility or plant of the Company or any other proposed occupant of the Facility 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 Facility located within the State; and the Issuer 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 Company 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 Company in its industry; and

(h) All documents to be executed by the Issuer are reasonably necessary to provide the security described herein for the Bonds.

Section 2. In consequence of the foregoing, the Issuer hereby determines to: (i) acquire a leasehold interest in the Facility from the Company and the HDfC pursuant to the Lease Agreement, (ii) issue the Bonds pursuant to the terms of the Indenture, (iii) use the proceeds of the Bonds to assist the Company in financing the undertaking of the Project and to pay certain incidental expenses in connection therewith, (iv) lease its right, title and interest in the Facility back to the Company and the HDfC pursuant to the Leaseback Agreement, (v) execute a certain Tax Regulatory Agreement, to be dated as of the date of issuance and delivery of the Bonds (the "Tax Regulatory Agreement"), pursuant to which the Issuer and the Company make certain representations and covenants to ensure the continued tax-exempt status of the Bonds, (vi) execute a certain Arbitrage Certificate, to be dated as of the date of issuance and delivery of the Bonds (the "Arbitrage Certificate"), (vii) execute an Internal Revenue Service Form 8038 (the "Information Return") in connection with the issuance of the Bonds, (viii) appoint the Company as agent of the Agency to undertake the Project and provide the Company with an exemption from New York State sales and use taxes and the mortgage recording tax and to execute and deliver a Project Agreement (and related forms) in furtherance thereof (the "Project Agreement") and (ix) execute the PILOT Agreement.

Section 3. Subject to the Company executing the Project Agreement and the delivery to the Issuer of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Issuer, the Issuer hereby authorizes the Company to proceed with the acquisition, renovation and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Issuer to acquire, renovate and equip the Facility, and such

appointment includes the following activities as they relate to the construction, erection, completion, use, repair and maintenance of the Improvements and the purchase, use, lease, placement, installation, repair, maintenance and replacement of the Equipment, whether or not any materials or supplies described below are incorporated into or become an integral part of the Improvements or the Equipment: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with acquiring, renovating, equipping, repairing and maintaining the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with acquiring, renovating, equipping, repairing and maintaining the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under the Improvements, Land or the Equipment, including all repairs, maintenance and replacement of all such property. Said agents are authorized to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Issuer, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and with the same validity as the Issuer could do if acting on its own behalf. As agent of the Issuer, the Company is authorized to delegate such agency, in whole or in part, to agents, subagents, contractors, subcontractors, contractors and subcontractors of such agents and subagents and to such other parties as the Company chooses; provided, however, the Project Agreement shall expire on **December 31, 2025** (unless extended for good cause by the Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer) if the Lease Agreement, Leaseback Agreement and PILOT Agreement contemplated have not been executed and delivered. The Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer are authorized and directed to execute and deliver to said agent an appropriate letter on Issuer letterhead describing the authority granted under this resolution.

Section 4. Based upon the representation and warranties made by the Company in its application for financial assistance, the Issuer hereby authorizes and approves (i) the Company as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to **\$9,429,860**, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed **\$754,389**. The Issuer agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Issuer upon being provided with appropriate documentation detailing the additional purchases of property or services; (ii) a mortgage (or mortgages), in connection with the financing of the Facility or portions thereof and including any refinancing thereof, securing an aggregate principal amount not to exceed **\$22,000,000**, resulting in a mortgage tax exemption not to exceed **\$165,000**; and (iii) a partial real property tax abatement.

Section 5. Pursuant to Section 875(3) of the New York General Municipal Law, the Issuer may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption

benefits are for property or services not authorized by the Issuer as part of the Project; or (iv) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Issuer in connection with the Project. As a condition precedent of receiving sales and use tax exemption benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, shall (i) cooperate with the Issuer in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such amounts to the Issuer that the Issuer demands.

Section 6. The Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer are hereby authorized, on behalf of the Issuer and upon the advice of Counsel to the Issuer and Bond Counsel, to negotiate, approve, execute and deliver the Bonds, the Indenture, the Financing Agreement, the Bond Purchase Agreement, the Tax Regulatory Agreement, the Pledge and Assignment, the Mortgage, the Project Agreement, the Lease Agreement, the Leaseback Agreement, the PILOT Agreement and such other documents, instruments or agreements as may be necessary in connection with the issuance of the Bonds (collectively, the "Financing Documents").

Section 7. The Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer are hereby authorized, on behalf of the Issuer and upon the advice of Counsel to the Issuer and Bond Counsel, to approve and deliver the Official Statement and the distribution thereof is hereby authorized.

Section 8. The Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer are hereby authorized, on behalf of the Issuer and upon the advice of Counsel to the Issuer and Bond Counsel, to approve and execute the Information Return and to file the same with the Internal Revenue Service.

Section 9. The Issuer is hereby authorized to issue, execute, sell and deliver to the Underwriter the Bonds (subject to receipt of the approval, if required, of the County Executive of Monroe County, New York of the issuance of the Bonds pursuant to, and solely for the purposes of, Section 147 of the Code) pursuant to the Act, the Certificate and the County Resolution and in accordance with the Indenture; *provided, that:*

(a) The Bonds authorized to be issued, executed, sold and delivered pursuant to this Section: (i) shall be issued, executed and delivered at such time as the Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer shall determine, (ii) shall be in one or more series and in such aggregate maximum principal amount, as part of a plan of financing, not to exceed \$22,000,000, as is hereinafter approved by the Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer, (iii) shall bear interest at such rates as are approved by the Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer and are hereafter set forth in the Bonds and the Indenture and (iv) shall be subject to prepayment prior to maturity, and have such other provisions and be issued in such manner and on such conditions as are approved by the Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer and are hereafter set forth in the Bonds and the Indenture.

(b) The Bonds shall be issued solely for the purpose of providing funds to assist the Company in financing the Project Costs, the administrative, legal, financial and other expenses of the Issuer in connection with such assistance and incidental to the issuance of the Bonds, as such costs are more specifically set forth in the Indenture.

(c) The Bonds and the interest thereon are not and shall never be a debt of the State of New York or Monroe County, New York, and neither the State of New York nor Monroe County, New York, shall be liable thereon.

(d) The Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely out of the payments, revenues and receipts derived from or in connection with moneys received under the Financing Agreement or from the enforcement of the security provided by the Indenture.

Section 10. Notwithstanding any other provision of this resolution to the contrary, the Issuer covenants that it will make no use of the proceeds of the Bonds or of any other funds which, if such use had been reasonably expected on the date of issue of the Bonds, would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 11. (a) The Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer is hereby authorized, on behalf of the Issuer and upon the advice of Counsel to the Issuer and Bond Counsel, to execute and deliver the Financing Documents, the Official Statement and the Information Return, together with all related documents all in substantially the forms as are approved by the Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer upon the advice of Counsel to the Issuer and Bond Counsel, and the Secretary or any Assistant Secretary of the Issuer (or Counsel to the Issuer) is hereby authorized (but not required) to affix the seal of the Issuer thereto where appropriate and to attest the same. The execution of the Financing Documents, the Official Statement, the Information Return and such related documents by the Executive Director, Deputy Director, Chairman or Vice Chairman shall constitute conclusive evidence of such approval.

(b) Each of the Executive Director, Deputy Director, Chairman or Vice Chairman is further hereby authorized, on behalf of the Issuer, to designate such additional persons to act on behalf of the Issuer in connection with this resolution.

Section 12. Upon receipt of the requisite private activity volume cap, the Issuer hereby assigns its private activity bond volume cap allocation with respect to the Bonds in accordance with Section 146 of the Code and any applicable law of the State in an amount equal to \$22,000,000 (or such other amount equal to the principal amount of the Bonds to be issued).

Section 13. This resolution shall constitute the adoption of "official intent" (within the meaning of the United States Treasury Regulations Section 1.150-2(d)) with respect to issuance of the Bonds and the original expenditures which are reasonably expected to be reimbursed from the proceeds of the Bonds.

Section 14. The members, officers, employees, and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided by the provisions of the Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, including the Financing Documents,

the Official Statement and the Information Return, to determine and to do all such further acts and things as may be necessary or in the opinion of the member, officer, employee, or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Issuer with all of the terms, covenants, and provisions of the Financing Documents binding upon the Issuer.

Section 15. It is hereby found and determined that all formal actions of the Issuer concerning and relating to the adoption of this resolution were adopted in an open meeting of the Issuer and that all deliberations of the Issuer and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

Section 16. Due to the complex nature of this transaction, the Issuer hereby authorizes its Executive Director, Deputy Director, Chairman or Vice Chairman to approve, execute and deliver on behalf of the Issuer, such further agreements, documents and certificates as the Issuer may be advised by Bond Counsel or Counsel to the Issuer to be necessary or desirable to effectuate the foregoing and the issuance of the Bonds, such approval to be conclusively evidenced by the execution of any such agreements, documents or certificates by the Executive Director, Deputy Director, Chairman or Vice Chairman of the Issuer.

Section 17. Counsel to the Issuer and Bond Counsel are hereby authorized to work with counsel to the Company and others to prepare for submission to the Issuer, all documents necessary to effect the authorization, issuance and sale of the Bonds and reimbursement of the cost of all such work prior to the date hereof is hereby authorized to the extent permitted by the Code.

Section 18. This resolution shall take effect immediately upon adoption and the Bonds are hereby ordered to be issued in accordance with this resolution.

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

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Jay Popli			X	
Troy Milne	X			
Lisa Bolzner	X			
Joseph Alloco	X			
Rhett King	X			
Norman Jones	X			
Ann L. Burr	X			

The Resolutions were thereupon duly adopted.

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

I, the undersigned Executive Director of the County of Monroe Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the County of Monroe Industrial Development Agency (the "Issuer"), including the resolutions contained therein, held on the 18th day of April, 2023, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Issuer and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject in matters therein referred to.

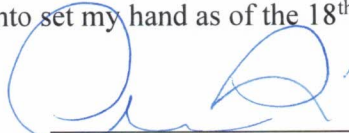
That the Financing Documents and the Bonds contained in the transcript of proceedings are each in substantially the forms presented to and approved at said meeting or as duly approved hereunder.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Issuer had due notice of said meeting and that the meeting was in all respects duly held.

I FURTHER CERTIFY that there was a quorum of the members of the Issuer 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 as of the 18th day of April, 2023.



Ana J. Liss, Executive Director