



Motion By:

Seconded By:

RESOLUTION

(CPG Partners, L.P. Project)

A regular meeting of the Orange County Industrial Development Agency held on June 20, 2013 at 1:30 p.m. (local time) at the Orange County Business Accelerator, 4 Crotty Lane, Suite 100, New Windsor, New York 12553.

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of CPG Partners, L.P. (the "Company").

RESOLUTION AUTHORIZING THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO (i) APPOINT CPG PARTNERS, L.P. (THE "COMPANY") AS ITS AGENT FOR THE PURPOSE OF UNDERTAKING A CERTAIN PROJECT AS MORE FULLY SET FORTH BELOW; (ii) RATIFY NEW YORK STATE ENVIRONMENTAL QUALITY REVIEW ACT FINDINGS MADE BY VILLAGE OF WOODBURY PLANNING BOARD; (iii) PROVIDE THE COMPANY WITH A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE PROJECT; AND (iv) EXECUTE AN AGENT AGREEMENT AND RELATED DOCUMENTS; PROVIDED, HOWEVER, THAT THE FINANCIAL ASSISTANCE PROVIDED BY THE AGENCY SHALL NOT EXCEED \$100,000 IN THE AGGREGATE UNTIL A PUBLIC HEARING IS HELD AND A SUBSEQUENT RESOLUTION IS ADOPTED.

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 390 of the Laws of 1972 of the State of New York, (hereinafter collectively called the "Act"), the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created with the authority and power and for the purpose of, among other things, acquiring, constructing, reconstructing and equipping manufacturing, warehousing, research, commercial, or industrial facilities as authorized by the Act; and

WHEREAS, **CPG PARTNERS, L.P.**, for itself or on behalf of an entity to be formed (collectively, the "Company"), has submitted an application (the "Application") to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of: (i) if necessary, the acquisition by the Agency of a leasehold or other interest in certain parcels of land aggregating approximately 149.2 acres located at the junction of NY Thruway Exit 16 and NYS Route 32 in the Village of Woodbury, Orange County, New York at the Woodbury Common Premium Outlets having an address of 498 Red Apple Court, Central Valley, Orange County, New York (Tax Map Nos. 225-1-70.2 and 226-1-1) (collectively, the "Land") and the approximately 852,728 gross leasable square-foot open air outlet mall facility located thereon (the "Existing Facility"), together with supportive restaurants, court yards, kiosks, landscaping and parking (the "Existing Improvements" and, together with the Existing Facility and the Land, the "Original Facility"); (ii) the renovation and expansion of the Original Facility, including, but

not limited to, the following: (A) renovations to the façade and roof, (B) new landscaping, (C) new hardscape for walkways and common pedestrian areas, (D) new seating areas and site amenities, (E) the rehabilitation of existing bathrooms and the construction of new restrooms, (F) the construction of a new main entrance and an approximately 50,000 square-foot new main tower building, (G) the relocation and reconstruction of the food court within the main tower building, (H) the construction of five new retail buildings aggregating approximately 100,000 square feet, (I) the expansion of existing retail buildings by approximately 6,000 square feet, (J) the construction of new and improved kiosks and retail merchandising units, (K) the removal and realignment of certain buildings and straightening of certain courts and new pedestrian crosswalks, (L) new signage, (M) the construction of new pick-up and drop-off laybys for tour buses and public transit bus traffic, (N) the construction of a new approximately 5,000 square-foot welcome center, (O) the construction of new maintenance facilities aggregating approximately 5,000 square feet, (P) the reconfiguring of existing surface parking spaces, (Q) the construction of a four-level parking structure containing approximately 2,223 total parking spaces, and (R) various storm water management improvements, utility upgrades and infrastructure modifications (collectively, the "Improvements"); and (iii) the acquisition and installation in, on and around the Original Facility and the Improvements of certain items of equipment and other tangible personal property (the "Equipment" and, collectively with the Original Facility and the Improvements, the "Facility"); and

WHEREAS, pursuant to Article 18-A of the General Municipal Law, the Agency desires to adopt a resolution describing the Project and the financial assistance that the Agency is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Agency will hold a public hearing and (i) negotiate and execute an agent agreement (the "Agent Agreement"), pursuant to which the Agency will appoint the Company as its agent for the purpose of renovating and equipping the Facility (the "Agent Agreement"), and (ii) provide Financial Assistance to the Company in the form of a sales and use tax exemption for purchases and rentals related to the Project (collectively, the "Financial Assistance"); and

WHEREAS, the Financial Assistance provided by the Agency to the Company under the Agent Agreement shall not exceed \$100,000 until a public hearing is held and a subsequent resolution is adopted by the Agency; and

WHEREAS, the Company has provided information to the Agency that the Project is likely to attract a significant number of visitors from outside the economic development region (as established by Section 232 of the New York State Economic Development Law), and therefore the Project qualifies for Financial Assistance under the Act; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and 6 N.Y.C.R.R. Part 617 (collectively referred to as "SEQRA"), on March 21, 2012, the Village of Woodbury Planning Board (the "Planning Board"), as lead agency pursuant to SEQRA, determined that the Project was a Type I action which presented a potential significant adverse environmental impact, and thus issued a positive declaration pursuant to 6 N.Y.C.R.R. § 617.7 of the SEQRA regulations (the "Positive Declaration"); and

WHEREAS, as a result of the Positive Declaration, the Planning Board conducted a coordinated review of the Project pursuant to SEQRA, and required that a Draft Supplemental Environmental Impact Statement ("DSEIS") and a Final Supplemental Environmental Impact Statement ("FSEIS") be prepared for the Project, which were accepted by the Planning Board; and

WHEREAS, on March 6, 2013, the Planning Board adopted a SEQRA Findings Statement containing specific conditions and measures designed to mitigate to the maximum extent possible all potential adverse environmental impacts resulting from the Project; and

WHEREAS, in conjunction with its issuance of the SEQRA Findings Statement, the Planning Board also adopted a resolution on March 6, 2013 granting Amended Site Plan, Special Permit, and Architectural Review Board approvals for the Project; and

WHEREAS, pursuant to Article 18-A of the Act, the Agency desires to adopt a resolution describing the Project and the Financial Assistance that the Agency is contemplating with respect to the Project.

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

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's application and other correspondence submitted by the Company to the Agency, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency 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) It is desirable and in the public interest for the Agency to appoint the Company as its agent for purposes of undertaking the Project; and

(C) The Agency has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Orange County and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project 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 Project located within the State; and the Agency 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 Project occupants from removing

such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

(F) The Agency hereby ratifies the findings and requirements set forth in the SEQRA Findings Statement issued by the Planning Board on March 6, 2013, and the mitigation measures set forth in the SEQRA Findings Statement shall be incorporated hereto, and made a part of the conditions of these Resolutions as adopted by the Agency; and

(G) The Project is likely to attract a significant number of visitors from outside the economic development region (as established by Section 232 of the New York State Economic Development Law), and therefore the Project qualifies for Financial Assistance under the Act.

Section 2. Subject to the Company executing the Agent Agreement in such form as approved by counsel 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 undertaking of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to undertake 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 December 31, 2014 (unless extended for good cause by the Executive Director of the Agency).

Section 3. Based upon representations and warranties made by the Company in the Application, subject to the holding of a public hearing in compliance with the Act and the adoption of an additional approval resolution thereafter, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project, that would otherwise be subject to New York State and local sales and use tax in an amount up to \$55,000,000, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$4,440,000. The Agency agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services. Pursuant to Section 875(3) of the New York General Municipal Law, the Agency 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 Agency 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 Agency 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 Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 4. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute the Agent Agreement, a Sales Tax Exemption Letter, and related documents; *provided, however*, that the Financial Assistance provided to the Company by the Agency under the Agent Agreement shall not exceed \$100,000 until a public hearing is held and a subsequent resolution is adopted by the Agency.

Section 5. The Agency is hereby authorized to conduct a public hearing in compliance with the Act.

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 vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Robert Armistead	✓			
Mary Ellen Rogulski	✓			
Russell O. Vernon	✓			
Stephen Brescia			P	
John Steinberg, Jr.	✓			
Henry VanLeeuwen	✓			
Robert Schreibeis, Sr.	✓			

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF ORANGE) ss:

I, the undersigned Chairman Secretary of the Orange County Industrial Development Agency, DO
HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the meeting of the Orange County Industrial Development Agency (the "Agency") including the resolution contained therein, held on the 20th day of June, 2013, 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 relates 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 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 seal of said Agency this 20th day of June, 2013.


Secretary Chairman