

RESOLUTION
(Currier Plastics, Inc. Project)

A regular meeting of Auburn Industrial Development Authority was convened at Council Chambers, Memorial City Hall in the City of Auburn on August 13, 2012 at 5:00 p.m.

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

Resolution No. _____

**RESOLUTION APPROVING EXECUTION BY THE
AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY
(THE "AUTHORITY") OF AN AGENT AGREEMENT,
LEASE AGREEMENT, LEASEBACK AGREEMENT,
PILOT AGREEMENT, AND RELATED DOCUMENTS
WITH RESPECT TO THE CURRIER PLASTICS, INC.
PROJECT**

WHEREAS, the Auburn Industrial Development Authority (the "**Authority**") is authorized and empowered by the provisions of the Auburn Industrial Development Authority Act, Chapter 915 of the 1969 Laws of New York constituting Title 15 of Article 8 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of New York, as amended (the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities, and facilities for use by a federal agency or medical facility, among others, and thereby to advance the job opportunities, health, general prosperity and economic welfare of the people of the City of Auburn and improve their medical care and standard of living; and

WHEREAS, Currier Plastics, Inc. for itself or on behalf of an entity to be formed (the "**Company**"), has requested the Authority's assistance with a certain project (the "**Project**") consisting of (i) the acquisition of a leasehold interest in approximately 20 acres of land located at 101 Columbus Street (the "**Land**") improved with 2 buildings totaling approximately 79,552 square feet (the "**Existing Improvements**") owned by Gen-West Associates, LLC ("**Gen-West**"); (ii) the acquisition of a leasehold interest in a new 59,000 square foot building (the "**Building**") to be constructed by Gen-West on the Land; and (iii) the installation of equipment therein for use as a plastics manufacturing and warehouse facility (the "**Equipment**", and collectively with the Land, the Improvements and the Building, the "**Facility**"); and

WHEREAS, in connection with the Project the Authority will enter into a payment lieu of taxes agreement (the "**PILOT Agreement**") with the Company on substantially the terms and conditions set forth on Exhibit "A" attached hereto; and

WHEREAS, the Authority has considered reasons why it should deviate from its Uniform Tax Exemption Policy and enter into a PILOT Agreement providing for payments and related provisions as set forth in the draft thereof presented to this meeting; and

WHEREAS, the Authority desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of the City of Auburn by retaining and expanding the Facility in the City of Auburn; and

WHEREAS, the execution of the PILOT Agreement will enhance opportunities of the citizens of the City of Auburn.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

1. The Authority hereby finds that the nature of the Facility justifies the PILOT Agreement and deviation from its Uniform Tax Exemption Policy for the reasons presented on Exhibit "B" hereto.

2. The Authority hereby finds that the nature of the Project justifies the PILOT Agreement and, subject to the conditions set forth in paragraph 3 of this Resolution, hereby authorizes execution and delivery of the PILOT Agreement by the Authority in accordance with Exhibit "A" presented to this meeting with such changes, variations, omissions and insertions as shall be approved by the Chairman and/or Vice Chairman upon execution.

3. The execution and delivery of the PILOT Agreement by the Authority as contemplated herein shall be subject to: (A) agreement by the Company and the Authority to the final form of the PILOT Agreement; (B) agreement between the Company and the Authority as to payment by the Company of the administrative fee of the Authority, if any; and (C) the Authority's adherence to the procedures for deviation from the Authority's uniform tax exemption policy set forth in Section 2315 of the Act prior to execution and delivery of the PILOT Agreement.

4. That the Chairman, Vice Chairman, Secretary or any other officer of this Authority be, and the same hereby is, authorized to negotiate, execute and deliver the PILOT Agreement and such other documents and agreements as may be necessary to carry out the intent of these Resolutions.

5. The Chairman, Vice Chairman and Secretary of the Authority are hereby authorized and directed to do such further things and perform such further acts as may be necessary or convenient to implement the provisions of this Resolution.

6. That this Resolution 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:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
James Dacey, Chairman	X			
Laurie Ann Dido, Treasurer	X			
Matthew Smith, Member			X	
Sue Chandler, Member	X			
Frank DeRosa, Member			X	
William Graney, Member	X			
Michael Kane, Member	X			

This Resolution was thereupon duly adopted.

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

I, the undersigned Secretary of the Auburn Industrial Development Authority, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Auburn Industrial Development Authority (the "Authority"), including the resolution contained therein, held on August 13, 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 Authority 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 Authority 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 Authority 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 Authority this ____ day of August, 2012.



Sue Chandler, Secretary

[SEAL]

Exhibit "A"
Terms of PILOT Agreement

Term: 15 Years

Payment Terms: Payments under the PILOT Agreement shall be an amount equal to (a) the then-current assessed value of the Facility; (b) multiplied by the then-current tax rate; and (c) all multiplied by the percentages set forth below.

PILOT YEAR	PERCENTAGE
1	0%
2	7%
3	14%
4	21%
5	28%
6	35%
7	42%
8	49%
9	56%
10	63%
11	70%
12	77%
13	84%
14	91%
15	98%

Recapture: The PILOT Agreement shall contain provisions pursuant to which the benefits granted to the Company shall be repaid by the Company, pro rata, in the event (a) the Project is sold or control of the ownership of the Company is transferred prior to the tenth (10th) anniversary of the closing; or (b) the Company fails to maintain a minimum of twenty (20) full time employees at the Facility, based upon the quarterly average employment as of December 31 of each year, beginning with the fifth (5th) full calendar year following the execution of the PILOT Agreement.

Exhibit "B"
Justifications for Deviations from Uniform Tax Exemption Policy

Justification for Deviation from Standard PILOT.

1. Nature of the project: Manufacturing
2. Project is located in Auburn's Economic Development Zone.
3. Nature of the property before the project begins is a built out neighborhood, this project makes highest and best use of urban vacant property.
4. The economic condition of the area - Federal Hub Zone and distressed census tract due to high poverty rate.
5. This project will retain 100 manufacturing jobs and create 50 new full-time permanent jobs over 5 years.
6. The estimate value of the requested PILOT is \$ 2,451,835 over 20 years. A Standard 10 year PILOT Returns \$ 1,050,795, difference of \$ 1,401,060.
7. The impact of the project and the proposed exemptions on the affected tax jurisdictions is additional revenue of \$ 11,676 to be split between the tax jurisdiction beginning year 2 and increasing to \$ 233,510 by the end of the PILOT.
8. The impact of the proposed project on existing businesses and projects in the vicinity; Carrier Plastics currently spends over \$3.7 Million with local business. As the company grows, purchased sourced from area businesses will grow. Employment shop in the conveniently located establishment near the facility.
9. This 20,000,000 project is leveraging 66% private funds.
10. Carrier Plastics, Inc. is highly motivated to remain competitive in the plastic molding industry and must complete this expansion for the health of the company. This project will be accomplished in a timely fashion.
11. Carrier Plastics, Inc. has a demonstrated commitment to the environment. This project will develop five (5) acres of building and parking lots in a built out urban environment. Buffers and environmental protections will be implemented.
12. Carrier Plastics, Inc. anticipates no additional demands on services. Carrier Plastics will be responsible for training new employees that will be sourced primarily from the existing labor/resident pool.
13. The project will provide additional sources of revenue for municipalities and school districts through increasing PILOT payments and increased employee payroll/employee purchasing power. Annual payroll will grow from \$4.7 Million to \$6.9 Million.
14. In addition to the benefits listed above. As a small business as defined by the SBA with fewer than 500 employees, Carrier Plastics, Inc. invests in workforce training and alignment on a regular and on-going basis. Additionally, Carrier Plastics, Inc. regularly invests in our community. For over twenty-five years, Carrier Plastics, Inc. has been active in the betterment of the area. Participation in charitable organizations includes annual support of the Cayuga County United Way, the Christmas Elf, along with multiple contributions to worthy causes. The owners and managers also take pride in their participation in organizations such as the Boy Scouts, Y-Park, Cayuga/Cortland Workforce Investment Board and church leadership. Over the years the company has taken an active role in assisting its employees with company supported educational seminars in home buying, CPR, self-defense and personal financial management. Carrier also manages an employee-only revolving loan program to assist employees with financial hardships. In 2006 Carrier Plastics Inc. established two college scholarships; one directed to children of employees and the other toward local high school students pursuing college degrees in a technical discipline. These types in community investments will continue and grow.