

FINAL RESOLUTION

(Empire State Pipeline/ Empire Pipeline, Inc. Project)

A regular meeting of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center was held on December 1, 2016 at 4:00 p.m. (local time) at the offices of the Agency at 99 MedTech Drive, Batavia, New York 14020.

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

Resolution No. 12/2016-03

RESOLUTION AUTHORIZING THE GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO (i) RETAIN A LEASEHOLD INTEREST IN CERTAIN PROPERTY AND THE IMPROVEMENTS LOCATED THEREON AS DESCRIBED BELOW (ii) NEGOTIATE AND EXECUTE A LEASE AGREEMENT, LEASEBACK AGREEMENT AND RELATED TAX AGREEMENT (OR AMENDMENTS TO EXISTING DOCUMENTS); (iii) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH THE TAX AGREEMENT; AND (iv) EXECUTE 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 565 of the Laws of 1970 of the State of New York, as amended (hereinafter collectively called the "Act"), the **GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, Empire State Pipeline / Empire Pipeline, Inc., for itself, its successors and assigns and/or an entity formed on its behalf (the "Company") previously submitted an application to the Agency requesting the Agency's assistance with a certain project (the "2007 Project") consisting of: (i) the acquisition by the Agency of a leasehold or other interest in certain property located at 3261 Lockport Road, Oakfield, and certain other properties located throughout Genesee County, New York and the existing improvements located thereon (collectively the "Land"), (ii) the construction and equipping on the Land by the Company as agent of the Agency of (1) a 20,620 horsepower compressor station and (2) a portion of the Company's 78.3 mile 24-inch diameter natural gas pipeline beginning in Victor, New York and traversing the Finger Lakes region through the counties of Genesee, Ontario, Yates, Schuyler, Chemung and Steuben, and terminating in Corning, New York (the compressor station and the portion of such gas pipeline located in Genesee County, New York, hereinafter referred to collectively as the "Improvements"), and (iii) the acquisition in and around the Improvements of certain items of equipment and other tangible personal property including pipes, valves, meters, fittings, and compressors (the "Equipment" and, collectively with the Land and the Improvements, the "Facility"); and

WHEREAS, in connection with the 2007 Project, the Agency and the Company entered into a certain PILOT Agreement pursuant to which the Company makes in-lieu of ad valorem real property tax payments for the benefit of the affected taxing jurisdictions; a portion of such payments being used, with the consent of the affected tax jurisdictions, to assist in paying certain debt service of the Agency; and

WHEREAS, the Company has submitted an application (the "Application") to the Agency requesting the Agency's assistance with a certain project (the "2016 Project" and, together with the 2007 Project, the "Project") consisting of the retention by the Agency of its leasehold interest in the Facility and the amendment and extension of the PILOT Agreement (either through amendment of existing PILOT or a new Tax Agreement); and

WHEREAS, pursuant to General Municipal Law Section 859-a, on October 24, 2016, at 4:30 p.m. local time, in the Oakfield Town Hall, the Agency held a public hearing with respect to the Project and the proposed financial assistance being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views. A copy of the Minutes of the Public Hearing along with the Notice of Public Hearing published and forwarded to the affected taxing jurisdictions ten (10) days prior to said Public Hearing are attached hereto as **Exhibit A**; and

WHEREAS, it is contemplated that the Agency will (i) negotiate and enter into a lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement") and tax agreement (the "Tax Agreement") with the Company (or amendments of existing documents), (ii) retain a leasehold interest in the Project (once the Lease Agreement, Leaseback Agreement and Tax Agreement have been negotiated), and (iii) provide financial assistance to the Company in the form of a partial real property tax abatement through the Tax Agreement; and

WHEREAS, the Lease Agreement, Leaseback Agreement, Tax Agreement and related documents have been negotiated and are presented to this meeting for approval and execution.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF GENESEE COUNTY INDUSTRIAL DEVELOPMENT AGENCY d/b/a GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER 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 Company to continue to operating and maintain 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 continue to operate and maintain the Project, thereby increasing employment opportunities in Genesee 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

Section 2. The Chairman, Vice Chairman and/or the Chief Operating Officer of the Agency are hereby authorized, on behalf of the Agency, to negotiate and execute (A) the Lease Agreement whereby the Company continues to lease the Project to the Agency, (B) the related Leaseback Agreement conveying the Project back to the Company, and (C) the Tax Agreement; provided, that, (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the Tax Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 3. 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 4. 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:

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Paul Battaglia	[X]	[]	[]	[]
Mary Ann E. Wiater	[X]	[]	[]	[]
John L. Rizzo	[X]	[]	[]	[]
Mike Davis	[X]	[]	[]	[]
Peter Zelif	[X]	[]	[]	[]
Craig Yunker	[X]	[]	[]	[]
Matthew Gray	[X]	[]	[]	[]

SECRETARY'S CERTIFICATION

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

I, the undersigned Secretary of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center, DO HEREBY CERTIFY:

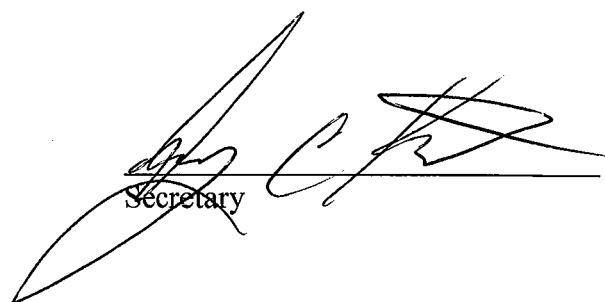
That I have compared the annexed extract of minutes of the meeting of the Genesee County Industrial Development Agency d/b/a Genesee County Economic Development Center (the "Agency"), including the resolution contained therein, held on October 27, 2016, with the original thereof on file in my office, 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 related 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 such 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 affixed the seal of said Agency this 2nd day of December, 2016.


Secretary