

RESOLUTION
(Warburton Wells)

A regular meeting of Yonkers Economic Development Corporation was convened on December 19, 2018.

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

Resolution No. 12/2018 - 08

RESOLUTION OF THE YONKERS ECONOMIC
DEVELOPMENT CORPORATION UNWINDING THE NEW
MARKET TAX CREDIT STRUCTURE RELATED TO
FINANCING THE WARBURTON LOFTS PROJECT (ALSO
KNOWN AS WARBURTON WELLS)

WHEREAS, YONKERS ECONOMIC DEVELOPMENT CORPORATION ("YEDC") is a not-for-profit local development corporation duly organized and validly existing pursuant to Section 1411 of the Not-for-Profit Corporation Law ("N-PCL") of the State of New York working on projects with City of Yonkers Industrial Development Agency ("YIDA"); and

WHEREAS, the New York State Urban Development Corporation d/b/a the Empire State Development Corporation ("ESDC") established the Restore NY Communities Initiative to encourage economic development and neighborhood growth by providing municipalities with financial assistance for the revitalization of commercial and residential properties; and

WHEREAS, the ESDC had, on January 21, 2010, awarded the City a Capital Grant of Three Million Five Hundred Five Thousand Dollars (\$3,505,000) (the "ESDC Grant") for the restoration and rehabilitation of a number of properties in the Philipse Manor Historic District of the City of Yonkers, among them the properties known as 44, 46, 48, 50 and 54 Warburton Avenue, Yonkers (a/k/a 6-8 Wells Avenue), New York 10701 (the "Properties" or the "Project") referred to in the Capital Grant Agreement (as hereinafter defined) between ESDC and the City as the "Restore III - Philipse Manor Historic District Rehabilitation," Project Number W872 Rehabilitation; and

WHEREAS, the ESDC and the City entered into a Capital Grant Agreement (the "Capital Grant Agreement"), for, among other things, the implementation of a Rehabilitation Plan for the Properties, the terms and provisions of which are incorporated herein and made a part hereof by this reference; and

WHEREAS, the Department of Planning and Development ("DPD") of the City of Yonkers administered the Grant on behalf of the City (all references herein to the City shall be deemed to refer to, and include, the DPD) and the Grant was disbursed through the City to the Sub-Recipient; and

WHEREAS, the terms of the Grant contemplate that "ESD may reallocate the project funds to another form of assistance..." and in order to finance the costs of the full development of the Properties, **WARBURTON WELLS DEVELOPER LLC**, a New York limited liability company, having its principal place of business located at 1865 Palmer Avenue, Larchmont, New York 10538 ("Developer") desired to utilize the Grant through the YEDC as the Sub-Recipient and a related New Market Tax Credit Structure that calls for the Sub-Recipient to loan the proceeds of the Grant pursuant to a loan agreement ("Leverage Loan Agreement") to an "Upper Tier Entity", with said Upper Tier Entity then using said proceeds to refinance a previously made "Qualified Equity Investment" in a Community Development Entity ("CDE") and thereafter the CDE utilizing the QEI to make a "lower tier loan" pursuant to a loan agreement ("NMTC Loan Agreement") to the Developer (the "NMTC Funding Structure"); and

WHEREAS, YEDC as the Sub-Recipient agreed to cause the Properties to be restored and rehabilitated subject to the terms and conditions of Sub-Recipient Agreement (which obligated the developer to fully comply with the Grant) and the Capital Grant Agreement (the "Project Work") through the NMTC Funding Structure, and the City agreed to provide a grant (the "Grant") in an amount not to exceed the sum of Two Million Nine Hundred Nineteen Thousand Fifty-Four Dollars and 00/100 (\$2,919,054.00) to be funded by the ESDC Grant and to be utilized by the Sub-Recipient to finance a portion of the costs of the Project Work (as hereinafter defined); and

WHEREAS, YEDC facilitated the adaptive re-use of properties on Warburton Avenue known as Warburton Lofts being developed by the Developer (the "Project") by acting as a conduit lender of grants funds made available by the Empire State Development Corporation under the Restore NY Program pursuant to the above described structure; and,

WHEREAS, the ESDC has provided written confirmation to the City that the Project complied fully with the objectives of the Restore NY Program; and,

WHEREAS, YEDC conveyed funds to the Project via a Promissory Note E in the original principal amount of \$2,919,054.00 ("Promissory Note E") dated as of December 30, 2011, and the lower tier loan documents identified on Exhibit A attached hereto (collectively, with the Promissory Notes, the "Loan Documents"); and

WHEREAS, Promissory Note E remains outstanding as a loan by YEDC to an affiliate of Greenline Ventures ("Greenline"), a Community Development Entity for the purposes of the New Market Tax Credit Program ("YEDC Note"); and,

WHEREAS, Greenline is the current holder of the lower tier Promissory Note dated December 30, 2011 in the original principal amount of \$2,919,054.00 ("E-Loan and Loan Documents"); and

WHEREAS, in complete satisfaction of its obligations under the YEDC Note, Greenline is assigning the E Loan and Loan Documents to the YEDC, which assignment includes all of the right, title and interest of Assignor in, to and under the E Loan and the Loan Documents.

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NOW, THEREFORE, BE IT

RESOLVED, that based on advice of counsel, YEDC authorizes the Chairman, Vice Chairman, President, Executive Director and/or the Chief Fiscal Officer of YEDC to execute and deliver any documents, agreements, certificates or contracts on behalf of YEDC, in consideration of the sum of \$1.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, YEDC agrees to formalize its accepting the assignment of E Loan and Loan Documents in full satisfaction of the outstanding amounts under the YEDC Note in the amount of \$2,919,054.00 and, given the intent of the ESDC Grant has been met the YEDC forgives the E-Loan and Loan Documents.

This Resolution shall take effect immediately.

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TC: Harris Beach PLLC

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Mayor Mike Spano	[✓]	[]	[]	[]
Wilson Kimball	[]	[]	[x]	[]
Cecile D. Singer	[✓]	[]	[]	[]
Peter Kischak	[✓]	[]	[]	[]
Melissa Nacerino	[✓]	[]	[]	[]

The Resolutions were thereupon duly adopted.

Resolution No. 12/2018-08
Resolution: Warburton Wells
December 19, 2018
TC: Harris Beach PLLC

STATE OF NEW YORK)
COUNTY OF WESTCHESTER) S.S.:

I, the undersigned Secretary of Yonkers Economic Development Corporation, DO
HEREBY CERTIFY as follows:

1. A meeting of the Yonkers Economic Development Corporation (the "Board"),
was held on December 19, 2018, and the attached resolution adopted at said meeting has been
duly recorded in the Minute Book for the purpose of recording the minutes of meetings of said
Board.

2. I have compared the attached extract with said resolution so recorded and said
extract is a true copy of said resolution and of the whole thereof insofar as said minutes relate to
matters referred to in said Extracts.

3. Said resolution correctly states the time when said meeting was convened and the
place where such meeting was held and the members of said Board who attended said Meeting.

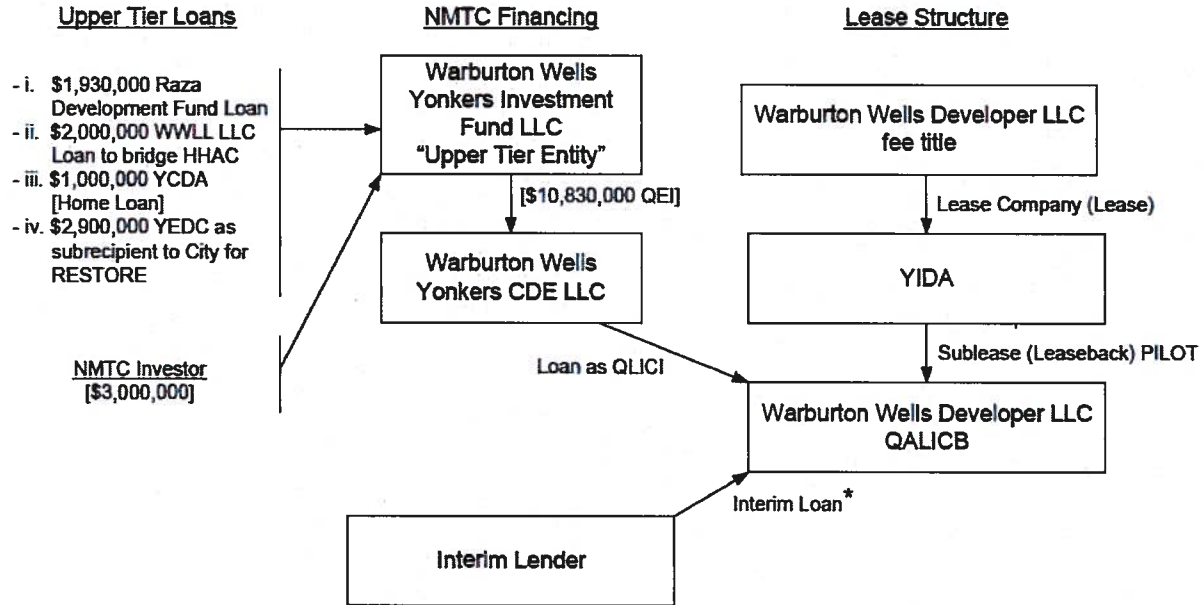
4. All members of said Board had due notice of said Meeting and that the Meeting
was in all respects duly held and a quorum was present and acted throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and have hereunto affixed the
corporate seal of Yonkers Economic Development Corporation this 19th day of
December, 2018.

Wilson Kimball
Wilson Kimball, Secretary

EXHIBIT A

**City of Yonkers Industrial Development Agency
 Warburton Wells Developer LLC
 Lease Structure with NMTC
 10/14/11**



* Substantial Improvements no longer need to be incurred after QLICI. (See Reg. §145(D)-1(d)(5)(ii)). Interim Lender can be repaid at time of QLICI.

AUTHORIZING RESOLUTION
(RFQ for Opportunity Zone Consultant)

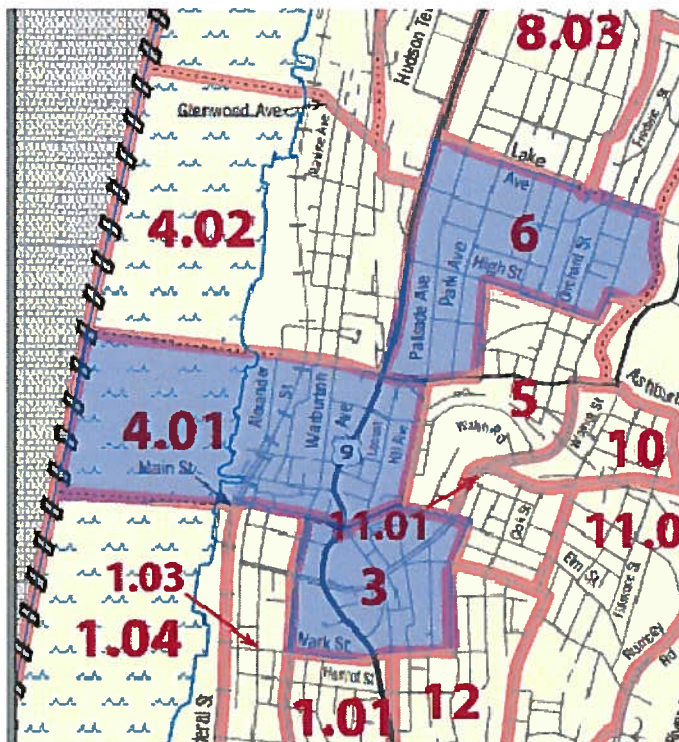
A regular meeting of the Yonkers Economic Development Corporation was convened on December 19, 2018.

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

Resolution No. 12/2018 - 09

RESOLUTION AUTHORIZING THE YONKERS ECONOMIC DEVELOPMENT CORPORATION TO ENGAGE A CONSULTANT TO FACILITATE OPPORTUNITY ZONE INVESTMENTS

WHEREAS, the City of Yonkers has received designations for three Opportunity Zones whereby Investors with capital gains can defer and reduce Federal and potentially state income taxes by reinvesting in projects located in an Opportunity Zone;



WHEREAS, The Opportunity Zones program offers three tax benefits for investing in low-income communities through a qualified Opportunity Fund:

1. A temporary deferral of inclusion in taxable income for capital gains reinvested in an Opportunity Zone Fund. The deferred gain must be recognized on the earlier of the date on which the opportunity zone investment is disposed of or December 31, 2026.

2. A step-up in basis for capital gains reinvested in an Opportunity Zone Fund. The basis is increased by 10% if the investment in the Opportunity Zone Fund is held by the taxpayer for at least 5 years and by an additional 5% if held for at least 7 years, thereby excluding up to 15% of the original gain from taxation.

3. A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in an Opportunity Zone Fund if the investment is held for at least 10 years. This exclusion only applies to gains accrued after an investment in an Opportunity Fund.

WHEREAS, a qualified Opportunity Zone Fund is a privately managed investment vehicle organized as a corporation or a partnership for the purpose of investing in qualified opportunity zone property (the vehicle must hold at least 90 percent of its assets in such property). Governors may designate 25 percent of their state's eligible low-income census tracts as qualified opportunity zones, subject to certification by the U.S. Secretary of the Treasury. The census tracts marked in yellow above were eligible and the census tracts marked in blue were designated. Qualified opportunity zone property includes any qualified opportunity zone business stock, any qualified opportunity zone partnership interest, and any qualified opportunity zone business property. Only taxpayers who roll over capital gains of non-zone assets before Dec. 31, 2026, will be able to take advantage of the special treatment under the provision.

WHEREAS, the Yonkers Economic Development Corporation desires to retain consultants through an RFQ process to bring attention to the investment opportunities in Yonkers with the consultants being paid by the transaction they facilitate.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE YONKERS ECONOMIC DEVELOPMENT CORPORATION AS FOLLOWS:

Section 1. YEDC shall issue an RFQ for consultants to assist in identifying eligible projects with funding needs and investors through Opportunity Zone funds; provided the consultant shall have the necessary licenses and any payment for the services of the consultants must be agreed to by the third parties investing in the Opportunity Zone Fund or project and shall not be a financial obligation of the Agency.

Section 2. The officers, employees and agents of the YEDC are hereby authorized and directed for and in the name and on behalf of the YEDC 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 YEDC with all of the terms, covenants and provisions of the documents executed for and on behalf of the YEDC.

Section 3. These Resolutions shall take effect immediately upon adoption.

The question of the adoption of the foregoing Resolution was duly put to a vote

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Mayor Mike Spano	[✓]	[]	[]	[]
Wilson Kimball	[]	[]	[×]	[]
Cecile D. Singer	[✓]	[]	[]	[]
Peter Kischak	[✓]	[]	[]	[]
Melissa Nacerino	[✓]	[]	[]	[]

The Resolutions were thereupon duly adopted.

CERTIFICATION
(Opportunity Zone Consultant RFQ)

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

I, the undersigned, Secretary of the City of Yonkers Industrial Development Agency DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the City of Yonkers Industrial Development Agency (the "Agency"), including the resolution contained therein, held December 19, 2018, 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 19th day of December, 2018.



Wilson Kimball, Secretary