



Livingston County Economic Development
Livingston County Government Center
6 Court Street, Room 306
Geneseo, New York 14454

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Approved by 

MINUTES
LIVINGSTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Wednesday, October 25, 2017

Livingston County Government Center, Room 303A
Geneseo, NY 14454

Members Attending: P. Brooks; G. Moore; S. Boscoe; L. Lane;

Members Absent: R. Smith; E. Gott; P. Yendell

Staff Attending: W. Bacon; M. Wheeler; T. Taylor

Guests Attending: J. Coniglio, Esq.

Chairman Brooks welcomed members and guests and called the meeting to order at 2:20 PM

APPROVAL OF MEETING MINUTES

A motion was made by Mr. Moore to approve the October 6, 2017 Meeting Minutes. Seconded by Mr. Boscoe. All in favor. Carried.

COMMUNICATIONS & CORRESPONDENCE

National Grid Award

Mr. Bacon advised that the agency received notice from National Grid that a grant has been awarded for the utilities in James M. Steele Commerce Park.

NEW BUSINESS

2018 Budget

Mr. Bacon reviewed the proposed 2018 Industrial Development Agency Budget for members. The budget will be filed with the New York State Authority Budget Office.

A motion was made by Mr. Boscoe to approve the 2018 Proposed Industrial Development Agency Budget as presented, seconded by Mr. Moore. All in favor. Adopted.

Additional CRC Mortgage

Mr. Coniglio reviewed the resolution:



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RESOLUTION OF THE LIVINGSTON COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPROVING ADDITIONAL FINANCING FOR THE COMPLETION OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY WHICH IS LEASED TO COMMODITY RESOURCE CORPORATION, A NEW YORK BUSINESS CORPORATION, AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 132 of the Laws of 1973 of the State of New York, as may be amended from time to time (collectively, the "**Act**"), the Livingston County Industrial Development Agency (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, Commodity Resource Corporation, a New York business corporation, on behalf of itself and/or the principals of Commodity Resource Corporation (the "**Company**"), and the Agency entered into a transaction in which the Agency assisted in (a) the acquisition of an approximately 31.8 acre parcel of land located at 2773 Caledonia-Leroy Road, Caledonia, New York, (further described as tax map parcel No. 2-1-11.11 (the "**Land**"), and the construction and equipping of an approximately 28,000 square foot building located thereon (the "**Improvements**") (the Land and the Improvements herein collectively referred to as the "**Facility**"), which Facility was leased to the Agency by the Company pursuant to the terms of a lease agreement dated as of October 1, 2015 and leased back to the Company by the Agency pursuant to a certain lease agreement dated October 1, 2015 (the "**Lease/Leaseback Transaction**"); and

WHEREAS The Agency required, as a condition and as an inducement for it to enter into the Lease/Leaseback Transaction, that the Company provide assurances with respect to the recapture of certain benefits granted in accordance with the Lease/Leaseback Transaction pursuant to a recapture agreement dated October 1, 2015 (the "**Recapture Agreement**"). The Recapture Agreement was recorded in the Livingston County Clerk's Office on October 8, 2015 in Liber 1276 of Deeds at page 1247.

WHEREAS, the Agency and Company Previously granted a mortgage dated November 13, 2015, to ESL Federal Credit Union ("**ESL**") in the original principal amount of eleven million two hundred forty thousand dollars and no cents (\$11,240,000.00/100) which mortgage was recorded in the office of the Livingston County Clerk on November 16, 2015, at Liber 2706 of Mortgages at page 2102; and

WHEREAS the Company has become or will soon become indebted to ESL in connection with a loan in the principal amount of \$12,975,000.00 (the "**Loan**"); and

WHEREAS ESL has agreed to grant the Loan upon the condition that the Agency and the Company grant ESL a third mortgage (the "**Third Mortgage**") as security for the Loan;

WHEREAS, ESL will not provide the Loan to Company unless the Agency agrees to subordinate certain portions of the Recapture Agreement to the Loan and the lien of the Mortgage pursuant to a certain Subordination Agreement by and between the Agency and ESL (the "**Subordination Agreement**"); and

WHEREAS, the Company has only requested the Agency's consent to and the execution of the Third Mortgage and the Subordination Agreement is not seeking any economic benefits in connection with the Loan.

NOW, THEREFORE, BE IT RESOLVED by the Livingston County Industrial Development Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby consent to the Third Mortgage and Subordination Agreement and the execution thereof.

Section 2. The form and substance of the Third Mortgage (in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) is hereby approved.



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Section 3. The form and substance of the Subordination Agreement (in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) is hereby approved.

Section 4. The Chairman, Director, or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Third Mortgage and Subordination Agreement in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Director, or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, Director and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution. The execution thereof by the Chairman, Director, or any member of the Agency shall constitute conclusive evidence of such approval.

Section 5. This resolution shall take effect immediately.

A motion was made by Mr. Moore, seconded by Ms. Lane to adopt the foregoing resolution. 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>NEA</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Philip S. Brooks	[X]	[]	[]	[]
Laura Lane	[X]	[]	[]	[]
Eric Gott	[]	[]	[]	[X]
J. Peter Yendell	[]	[]	[]	[X]
Steve Boscoe	[X]	[]	[]	[]
Robert Smith	[]	[]	[]	[X]
Gary Moore	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

OTHER BUSINESS

Director's Comments

ADJOURNMENT

With no further business to discuss, a motion was made by Mr. Boscoe, to adjourn the meeting at 2:43 PM, seconded by Ms. Lane. Carried.

Respectfully submitted,

Tessa Taylor
Senior Account Clerk/Typist