

**ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
AMENDATORY INDUCEMENT RESOLUTION**

**ROAR LOGISTICS, INC., AND/OR INDIVIDUAL(S) OR AFFILIATE(S),
SUBSIDIARY(IES), OR ENTITY(IES) FORMED OR TO BE FORMED ON ITS
BEHALF**

A regular meeting of the Erie County Industrial Development Agency was convened on Wednesday, January 23, 2019, at 12:00 p.m.

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

AMENDATORY INDUCEMENT RESOLUTION OF THE ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE APPROVAL OF THE REVISION TO THE PROJECT DESCRIPTION AND THE APPROVAL OF A REVISED SALES AND USE TAX EXEMPTION BENEFIT WITH RESPECT TO THE ROAR LOGISTICS INC. PROJECT (AS MORE FULLY DESCRIBED BELOW)

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 293 of the Laws of 1970 of the State of New York, as amended (collectively, the “Act”), the ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (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, commercial and other facilities as authorized by the Act; and

WHEREAS, the Company submitted an application to the Agency (the “Application”) requesting the Agency’s assistance with a certain project (the “Original Project”) consisting of: (i) a .95+/- acre parcel of vacant land located at 535 Exchange Street, City of Buffalo, Erie County, New York (the “Land”), (ii) the construction and equipping of a new 12,381+/- SF building to be utilized for office space (the “Improvements”), and (iii) the acquisition and installation by the Company of certain items of machinery, equipment and other tangible personal property (the “Equipment”, and collectively with the Land and the Improvements, the “Facility”); and

WHEREAS, pursuant to General Municipal Law Section 859-a, on May 21, 2018, at 9:00 a.m., at the Agency’s office located at 95 Perry Street, Suite 403, Buffalo, New York 14203, the Agency held a public hearing with respect to the Original Project and the proposed Financial Assistance (as hereinafter defined) 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; and

WHEREAS, by resolution adopted on June 27, 2018, (the “Original Resolution”) the Agency: (i) determined that the Original Project will not have a “significant effect on the

environment” as such quoted term is defined under Article 8 of the New York Environmental Conservation Law and the regulations promulgated thereto in 6 N.Y.C.R.R. Part 617 (collectively referred to as or “SEQR”), that no “environmental impact statement” as such quoted term is defined in SEQR, need be prepared for this action, and issued a Negative Declaration pursuant to 6 N.Y.C.R.R. § 617.7 of the SEQR regulations with respect to the Original Project, and (ii) authorized financial assistance to the Company with respect to the Original Project in the form of (a) an exemption benefit from all New York State and local sales and use taxes for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, and equipping of the Facility and (b) a partial abatement from real property taxes benefit through a seven (7) year term PILOT Agreement for the benefit of each municipality and school district having taxing jurisdiction over the Original Project, (collectively, the sales and use tax exemption benefit and the partial abatement from real property taxes benefit, are hereinafter collectively referred to as the “Financial Assistance”); and

WHEREAS, on January 4, 2019, the Agency received an amended application (the “Amended Application”) from the Company requesting a revision to the scope of the Original Project to include an increase in the square footage of the new building from 12,381+/- SF to 15,000+/- SF and an increase in the project cost from \$2,610,000 to \$3,425,000.00 (the “Amended Project”), and requesting additional New York State and local sales and use tax exemption benefits in an amount not to exceed \$52,500.00 (the “Additional Sales Tax Exemption Benefit”); and

WHEREAS, the Additional Sales Tax Exemption Benefit will not exceed \$100,000 and, therefore, a public hearing is not required to be held by the Agency; and

WHEREAS, the Amended Project is a Type II Action as defined by SEQR, and therefore, no further action or environmental review under SEQR is required in connection hereto.

WHEREAS, the Agency desires to amend the Original Resolution and approve this Amendatory Inducement Resolution with respect to the Amended Project and the Additional Sales Tax Exemption Benefit in order to revise of the scope of the Original Project.

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

Section 1. All recitals, findings and determinations of the Agency contained in the Original Resolution are hereby reaffirmed, ratified, restated and incorporated herein by reference as if set forth herein in their entirety, except as modified by this Amendatory Inducement Resolution.

Section 2. With respect to the foregoing, and based upon the representations and warranties made by the Company in its Amended Application for Financial Assistance, the Agency hereby authorizes and approves the additional New York State and local sales and use tax exemption benefits with respect to the revision to the scope of the Original Project to include an increase in the square footage of the new building and the increased costs.

Section 3. Based upon the representations and warranties made by the Company in its application with respect to the Amended Project, subject to the terms and conditions as described herein, and Agency board member review, discussion and consideration of same, the Agency hereby finds, determines and hereby amends the second full paragraph in Section 3 of the Original Resolution in its entirety to read as follows:

With respect to the foregoing, and based upon the representations and warranties made by the Company in its Amended Application for Financial Assistance, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Amended Project and that would otherwise be subject to New York State and local sales and use tax in an estimated amount up to \$1,600,000.00, which may result in New York State and local sales and use tax exemption benefits (“sales and use tax exemption benefits”) not to exceed \$140,000.00. The Agency may consider any requests by the Company for increases 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.

Section 4. Section 3(i) and 3(ii) of the Original Resolution are hereby replaced in their entirety to read as follows:

- (i) Investment Commitment – the total investment actually made with respect to the Project at the time of Project completion equals or exceeds \$2,911,250 (which represents the product of 85% multiplied by \$3,425,000 [representing the total project cost as stated in the Company’s Amended Application for Financial Assistance]);
- (ii) Employment Commitment – that there are at least 49 existing full time equivalent (“FTE”) employees located at, or to be located at, the Facility as stated in the Company’s Amended Application for Financial Assistance (the “Baseline FTE”); and
 - the number of current FTE employees in the then current year at the Facility; and
 - that the Company has maintained and created FTE employment at the Facility equal to 61 FTE employees [representing the sum of the Baseline FTE plus 12, where 12 is the product of 85% multiplied by 14 (being the total number of new FTE employee positions as proposed to be created by the Company as stated in the Company’s Amended Application for Financial Assistance)]. In an effort to confirm and verify the Company’s employment numbers, the Agency requires that, at a minimum, the Company provide employment data to the Agency on a quarterly basis, said information to be provided on the Agency’s “Quarterly Employment Survey” form to be made available to the Company by the Agency.

Section 5. 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 6. All actions heretofore undertaken by the Agency and the Company, as agent of the Agency, are ratified and approved and the Agency and the Company, as agent of the Agency, are hereby authorized to continue to undertake the Amended Project.

Section 7. These Resolutions shall take effect immediately.

Dated: January 23, 2019