

WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY

RESOLUTION TO APPROVE INCENTIVES FOR

SPOTLIGHT THEATER OF WARSAW, LLC

DECEMBER 11, 2014

Whereas, Spotlight Theater of Warsaw, LLC on behalf of itself and affiliated individuals or entities (including entities to be formed to undertake the Project, as hereinafter defined) (collectively, the "Company") has completed an application to the WCIDA requesting financial assistance for the reconstruction and equipping of its existing facility (the "Project") located at 23 South Main Street in the Village of Warsaw, New York, and

Whereas, the Project will allow Company to continue and expand its business in Wyoming County and create 7 new jobs, and

Whereas, the benefits provided to the Company in connection with the Project will not exceed \$100,000, therefore a public hearing is not required; and

Whereas, the Company has completed and submitted to WCIDA Part 1 of an Environmental Assessment Form ("EAF") in accordance with the provisions of the State Environmental Quality Review Act and regulations adopted pursuant thereto (collectively, "SEQRA"); and

Whereas, WCIDA has completed Part 2 of the EAF and has considered the proposed Project and reviewed the EAF and the criteria set forth in SEQRA in order to determine whether the Project will have a significant effect on the environment and wishes to make the findings required of an agency under SEQRA, and

Whereas, WCIDA further finds, based on the application, that the Project proposes to create 7 jobs over the next 3 years; and

Whereas, based upon the application, the WCIDA has determined that the Project includes facilities or property which will be primarily used in making retail sales (as defined in Section 862(2) of the New York General Municipal Law) to customers who personally visit such facilities and that WCIDA is permitted to provide financial assistance with respect to the Project because the predominant purpose of the Project would be to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the city, town or village within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services, as evidenced by the following information contained in the application and otherwise provided to WCIDA: the facility to be equipped and renovated as part of the

Project is the only indoor theater located in Wyoming County and the conversion of the facility into a three-screen theater and the installation of state-of-the art projection and sound equipment will provide residents of the Village and Town of Warsaw with entertainment options that would otherwise only be available outside of Wyoming County; and

Whereas, WCIDA further finds, based on the application, that the Project will serve the public purpose of Article 18-A of the General Municipal Law by preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in New York State.

Now therefore be it resolved that:

1. WCIDA hereby resolves that the proposed Project will not have a significant impact on the environment for the reasons more particularly set forth in the negative declaration prepared by WCIDA and, in accordance with SEQRA, hereby adopts such negative declaration with regard to the Project.
2. WCIDA hereby determines that (i) the Project and the financial assistance (as more particularly described below) by the Agency pursuant to the New York State Industrial Development Agency Act constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 343 of the 1974 Laws of New York, as amended (collectively, the "Act") will promote and is authorized by and will be in furtherance of the policy of the State as set forth in said Act, (ii) the predominant purpose of the Project would be to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the Village and Town of Warsaw because of a lack of reasonably accessible retail trade facilities offering such goods or services, and (iii) the Project will serve the public purpose of Article 18-A of the General Municipal Law by preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in New York State.
3. Pursuant to the Act, the WCIDA, in order to secure this Project and the significant economic benefits that it could provide the people of Wyoming County approves the following tax incentives:
 - ◆ A one-year exemption from the payment of state and local sales tax on materials, supplies, and non-production equipment purchased for this Project having a total cost not to exceed \$ 325,000.
 - ◆ An exemption from the Wyoming County mortgage recording tax with respect to one or more mortgages in an aggregate amount not to exceed \$435,000.
4. The Company is authorized as agent of WCIDA, for the purpose of constructing and equipping the Project. The designation of the Company as agent hereunder is limited to purchases of sales-taxable tangible personal property and services in connection with the Project which do not exceed the amounts authorized in this resolution and shall not apply to any other purchase by the Company or any

operating expenses of the Company. In addition, in the event, because of the involvement of WCIDA, the Company claims an exemption from state sales or use tax in connection with the Project, and such exemption is claimed with respect to property or services not authorized hereunder, or which exemption is in excess of the amounts authorized hereunder, or is otherwise not permitted under this resolution, or if the Company shall fail to comply with a material term or condition regarding the use of property or services acquired by the Company as agent for WCIDA as set forth in this resolution or in any document authorized hereunder, then the Company shall be required to remit to WCIDA an amount equal to the amount of state sales and use taxes for which such exemption was improperly claimed. A failure to remit such amounts may result in an assessment against the Company by the New York State Commissioner of Taxation and Finance state sales and use taxes, together with any relevant penalties and interest.

5. The Chairman, Vice Chairman, Secretary, Treasurer and the CEO/CFO are each authorized to execute such documents as may be necessary or desirable to complete the transactions described in this resolution, to provide the financial assistance authorized herein and to otherwise carry out this resolution, subject however, to satisfaction of WCIDA's standard closing requirements and receipt of evidence of such municipal and other approvals as WCIDA shall deem appropriate.
6. This Resolution is subject to and contingent upon confirmation of the proposed actions by the WCIDA set forth herein by the chief executive officer of Wyoming County.

Agency Signature:

James P. Price