



City of Cortland
City Hall
Mayor Brian Tobin

125th Anniversary Celebration of Cortland Regional Medical Center Proclamation

WHEREAS, people truly caring for other people in our City of Cortland first came together in 1891, united by the same mission to provide quality health care services, Cortland Regional Medical Center was founded on April 1st of that year;

WHEREAS, Cortland Regional Medical Center and all its constituencies—Physicians, Management, Employees, Volunteers, and Benefactors have remained a constant resource of dynamic, quality health care for 125 years of dedicated service to the residents of our city and our neighbors throughout the County of Cortland and surrounding communities;

WHEREAS, Cortland Regional Medical Center launched a year-long celebration in April, commemorating all the thousands of individuals whose skills, leadership, and stewardship have contributed in the past and who continue to provide service in the pursuit of excellent health care as is the mission of Cortland Regional Medical Center;

WHEREAS, Cortland Regional Medical Center first began, with funds donated by the Loyal Circle of Kings Daughters, as a hospital with six-beds, one matron, and a maintenance boy at 33 Clayton Avenue;

WHEREAS, Cortland Regional Medical Center is now a full-service health care facility, located at 134 Homer Avenue, and the second largest private employer in the city, and it continues to expand its facilities and enhance services as the needs of Cortland residents grow and change ;

WHEREAS, the quality of life may be measured by the beauty, stability, and health of the environment in which we live;

WHEREAS, Cortland Regional Medical Center is hosting a Summer Anniversary Celebration for the greater Cortland community on Saturday, August 13th;

NOW, THEREFORE, BE IT RESOLVED that the City of Cortland takes pride in Cortland Regional Medical Center, its staff and physicians who have helped improve the quality of life for our community. I, Brian Tobin, Mayor of the City of Cortland, on behalf of the Common Council, do hereby proclaim August 13, 2016 as the **125th ANNIVERSARY CELEBRATION OF CORTLAND REGIONAL MEDICAL CENTER** with all good wishes thereto for another 125 years of service to the citizens of Cortland and our neighboring communities.

IN WITNESS WHEREOF I have hereunto set my hand this 2nd day of August, in the year of our Lord, two thousand sixteen, and of the Cortland, New York.

Brian Tobin, Mayor of Cortland, New York

EXOTIC PET PERMIT APPLICATION

DATE OF APPLICATION 18, July, 2016

OWNER'S NAME Gavin Davidson

OWNER'S ADDRESS 35626 Snell Rd Theresa, NY 13691

Phone Number 315-955-5749

Type of Pet Leopard Gecko in 10 gallon glass aquarium

Landlord's Name State University of New York at Cortland

Landlord's Address 22 Graham Ave, Cortland, NY 13045

Landlord's Phone # 607-753-4724

- Complete permit application and return it to the City Clerk's Office along with
 - Application fee of \$5.00 per pet or up to 5 chickens
 - Letter of permission from the landlord
 - Letters from building residents / neighbors indicating knowledge of the exotic pet
- * Ferrets must have current rabies vaccination certificate to file with the application

Once the application, supporting documents and permit fee are received, a home inspection will be made prior to submitting the application to Common Council.

If Common Council approves the application, the permit will be mailed out to the applicant.

If the application is denied, the application fee will be returned to the applicant.

Permits are issued for a calendar year, and are renewable each January. Renewal notices are sent out a month before.



July 21, 2016

Mayor Brian Tobin
City of Cortland
City Hall
25 Court Street
Cortland NY 13045

Dear Mayor Tobin,

The 21th Annual Great Cortland Pumpkinfest is going to be held Saturday October 1st and Sunday October 2nd 2016. To make the event possible and insure it's continued success the Pumpkinfest Committee would like permission from the Common Council to do the following:
Permission to use the City's portion of Court House Park for the Pumpkinfest, September 30th through October 3rd, 2016.

To attach to or place near the City of Cortland entrance signs, signs announcing the dates of the Great Cortland Pumpkinfest. These signs would go up the week of September 12th and be taken down the week of October 3rd.

Thank you for considering our request.

Sincerely,

Jim Dempsey
Co-Chairperson
The Great Cortland Pumpkinfest Committee

JD:db
cc: John McNerney – Youth Bureau

COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement ("Lease") is made and effective August 1, 2016, by and between **THE NEW YORK, SUSQUEHANNA AND WESTERN RAILWAY CORPORATION**, ("Landlord"), and the **CITY OF CORTLAND**, (Tenant").

Landlord is the owner of land and improvements commonly known as the Railroad Passenger Station located at 94-96 Central Avenue, Cortland, New York. Under this agreement, Landlord makes available for lease a portion of the Premises designated as the Passenger Waiting Room, together with shared use of adjoining restrooms and parking as set forth herein (the "Leased Premises").

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord, for the term, at the rental, and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein contained and other good and valuable consideration, it is agreed:

1. Term

Landlord hereby leases the Leased Premises, to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning on August 1, 2016 and ending December 31, 2017. Landlord shall use its best efforts to give Tenant possession as early as possible at the beginning of the Lease term. Tenant shall make no claim against Landlord for any such delay.

2. Rental

In the interest of providing community support, the Landlord is granting the Tenant use of the Leased Premises at no rent during the term of the Lease.

3. Use

Tenant shall make use of the property for such activities that serve the best interest of the residents of the City of Cortland.

4. Sublease and Assignment

Tenant shall have the right without Landlord's consent to allow the use of the Leased Premises by one or more community organizations operating under the auspicious of the City of Cortland. Any other sublease or assignment by Tenant shall only be effective upon the written consent of Landlord.

5. Repairs and Maintenance

During the Lease Term, Tenant shall provide, at Tenant's expense, all necessary repairs to and maintenance of the Leased Premises, except as set forth herein. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, but shall not include any repairs for major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this Lease. Landlord shall be responsible for major mechanical systems and roof repairs and maintenance. Landlord shall provide snow plowing of the parking area in accordance with its normal operating activities; notwithstanding the foregoing, Tenant shall at its own expense provide any additional snow and ice removal adequate for its needs and the needs of its invitees.

6. Condition of the Leased Premises; Alterations and Improvements

(a) Prior to use of the Leased Premises (including both interior and exterior areas), Tenant shall inspect the same and make such alterations and improvements, at its expense, as Tenant deems necessary for Tenant's use of the Leased Premises. Prior to making such alterations and improvements, Tenant shall submit a description of the same to Landlord for Landlord's approval, which shall not be unreasonably withheld.

(b) Tenant shall have the right to place and install personal property, equipment and other temporary installations in and upon the Leased Premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Insurance

- A. If the Leased Premises or any other part of the building is damaged by fire or other casualty resulting from any willful misconduct or negligence of Tenant or any of Tenant's agents, employees or invitees, Tenant shall be responsible for the costs of repair not covered by insurance.
- B. Landlord shall maintain fire and extended coverage insurance on the building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.
- C. Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the building with the premiums thereon fully paid on or before due date,

issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least ten (10) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the building.

8. Utilities

Tenant shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities used by Tenant on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant shall pay such amounts within fifteen (15) days of invoice. Tenant acknowledges that the Leased Premises are designed to provide standard office use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilize excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

9. Signs

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

10. Entry

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

11. Parking

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the building, their guests and invitees, of the non-reserved

common automobile parking areas, driveways and footways subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the building or in reasonable proximity thereto, for Tenant and Tenant's agents and employees.

12. Building Rules

Tenant will comply with the rules of the building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing.

13. Damage and Destruction

Subject to Section 7A above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. The provisions of this paragraph extend not only to the matters aforesaid, but also any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

14. Landlord's Covenants; Quiet Possession

Landlord covenants and warrants only that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable, undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

15. Notice

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

The New York, Susquehanna and Western Railway Corporation
1 Railroad Avenue
Cooperstown, NY 13326

If to Tenant:

City of Cortland
Office of Administration and Finance
25 Court Street
Cortland, NY 13045

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

16. Headings

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

17. Successors

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

18. Consent

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

19. Compliance With Law

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

20. Final Agreement

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

**THE NEW YORK, SUSQUEHANNA AND
WESTERN RAILWAY CORPORATION**

By: _____
Name:
Title: President

CITY OF CORTLAND

By: _____
Name: Brian T. Tobin
Title: Mayor, City of Cortland, NY

COMMERCIAL LEASE AGREEMENT

BETWEEN

THE CITY OF CORTLAND

AND

MADISON CORTLAND ARC

This Commercial Lease Agreement (“Lease”) is hereby entered into and made effective as of _____, 2016, by and between **the City of Cortland, NY**, a New York State municipality having its principal offices at 25 Court Street, Cortland, NY 13045 (“Landlord”) and, the Madison Cortland Chapter, NYSARC, Inc., a New York State Not-For-Profit Corporation, doing business as the **Madison Cortland ARC**, having offices at 701 Lenox Avenue, Oneida, NY 13241 (“Tenant”).

WHEREAS, Landlord is the owner of land and improvements commonly known as the Armory located on Wheeler Avenue, Cortland, New York (the “Premises”);

WHEREAS, Landlord desires to lease and license portions of the Premises as further described below and upon the covenants, conditions and provisions set forth herein; and

WHEREAS, Tenant desires to lease and license from Landlord such portion of the Premises as further described below and upon the covenants, conditions and provisions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises herein contained and other good and valuable consideration, it is agreed:

1. **Leased Premises**

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord a portion of the Premises designed as two Offices located on the left side of the main entrance to the Premises (“Leased Premises”), and Landlord agrees to permit Tenant to have use of a Kitchen and the Classrooms located in the Premises, which use will be secondary to any and all activities of the City (“Licensed Premises”). In connection with the Leased Premises, Landlord agrees that Tenant shall have shared use of adjoining restrooms, parking lots, driveways and footways (“Common Areas”).

2. **Term**

The Term of this Lease shall begin upon August 1, 2016 and shall terminate upon July 31, 2017, unless otherwise terminated as provided in this Lease (“Initial Term”). Landlord shall use reasonable efforts to give Tenant possession as early as possible at the beginning of the Initial Term. Tenant shall make no claim against Landlord for any such delay; however, in the event of delay, Tenant’s Rental Payment shall be prorated and rental payments shall be reduced by \$20.00 per day during the month(s) in which the delay occurs. The term of this Lease Agreement may be extended for an additional one

year term (“Renewal Term”) upon Tenant’s written confirmation of Tenant’s intent to renew this Lease Agreement delivered to Landlord at least three months prior to the expiration of the Rental Term or Renewal Term, provided that the amount of the monthly rental payment shall be negotiated and the Landlord shall give its written consent to the Renewal Term at least two months prior to the commencement of each Renewal Term.

3. **Rental**

The Landlord shall rent the Leased Premises and Licensed Premises to Tenant in exchange for Tenant’s payment of rent in the amount of \$600.00 per month, which shall be due and payable by Tenant on the first day of each and every month during the Term of this Lease. The following utilities are included in the rental payment: heat, electricity, water and waste disposal. Tenant shall be responsible for all other utility expenses.

4. **Use**

Tenant shall make use of the Leased Premises and Licensed Premises for its business and training purposes in accordance with all applicable ordinances, laws, rules, and regulations. Tenant shall not make or suffer waste or unlawful use of the Leased Premises, the Licensed Premises, or any of the Common Area thereof.

5. **Subletting and Assignment**

Tenant shall not sublet or assign this Lease without the prior written consent of Landlord, which consent shall be given or withheld for any reason or no reason in the sole discretion of the City.

6. **Repairs and Maintenance; Snow Removal; and Custodial Duties**

(A) Repairs and Maintenance: During the Lease Term, Tenant shall provide, at Tenant’s sole expense, all necessary repairs to and maintenance of the Leased Premises, except as set forth herein. Repairs shall include but not be limited to such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, along with repairs and maintenance caused by the negligence, neglect, and/or willful misconduct of Tenant and/or Tenant’s employees, agents, clients, or invitees. Landlord shall be responsible for the major mechanical systems and roof repairs and maintenance, except to the extent caused by the negligence, neglect, and/or willful misconduct of Tenant and/or Tenant’s employees, agents, clients, or invitees.

(B) Snow Removal: Landlord shall provide snow plowing of the Premises’ parking area and driveways, and snow and ice removal from all common area footways in accordance with its normal operating activities. Notwithstanding the foregoing, in the event that Tenant shall use the Leased Premises and/or Licensed Premises when the Premises are not open to the public or otherwise maintained according to the Landlord’s customary operating activities, then for the benefit of Tenant and its Invitees only, and at Tenant’s sole expense, Tenant shall remove snow and ice from the front walkway leading to the

main entrance of the Premises. Landlord shall have no greater liability to Tenant or to Tenant's Invitees than to the public for Landlord's failure to remove snow from Landlord's parking lots, driveways and footways.

(C) Custodial Duties: Tenant shall perform and be solely responsible for all custodial duties for the Leased Premises.

7. **Condition of the Leased Premises: Alterations and Improvements**

(A) Prior to occupancy of the Leased Premises, Tenant shall inspect the Leased Premises, the Licensed Premises and interior and exterior Common Areas, and make such alterations and improvements to the Leased Premises, at its sole expense, as Tenant deems necessary for Tenant's use of Leased Premises. Prior to making any such alterations and improvements, Tenant shall submit a written description of the same to Landlord for Landlord's written approval, which shall not be unreasonably withheld. If Tenant does not make any such alterations and improvements, Tenant accepts the Leased Premises "as is".

(B) Tenant shall have the right to place and install personal property, equipment and other temporary installations in and upon the Leased Premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease Term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the Term of the Lease provided that all damage to the Leased Premises caused by such removal shall be immediately repaired by Tenant at Tenant's sole expense.

8. **Insurance**

(A) If the Leased Premises or any other part of the Premises is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, Tenant shall be responsible for the costs of repair not covered by insurance.

(B) Landlord shall maintain fire and extended coverage insurance on the building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.

(C) Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the building with the premiums thereon fully paid on or before due date, issued by and binding upon an insurance company approved by Landlord, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance

evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least ten (10) days prior to such expiration. Landlord shall not be required to maintain insurance against theft within the Leased Premises, the building, or otherwise upon the Premises.

9. **Signs**

Upon Landlord's prior written consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant and approved by Landlord, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's sole opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Tenant shall be responsible for obtaining any necessary permission and authorization from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

10. **Entry**

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

11. **Parking**

During the Term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the building and the Premises, their guests and invitees, of the non-reserved common automobile parking areas, driveways and footways subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the building or Premises or in reasonable proximity thereto, for Tenant and Tenant's agents employees, Landlord, and/or other tenants of the Premises.

12. **Building Rules**

Tenant shall comply with the rules of the building adopted and altered by Landlord from time to time and shall cause all of its agents, employees, invitees and visitors to do the same. All changes to such rules will be sent by Landlord to Tenant in writing.

13. **Damage and Destruction**

Subject to Section 8(A) above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage by fire, casualty, or structural defects to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at

the cost of the Landlord. In making the repairs called for in this Paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. The provisions of this Paragraph extend not only to the aforesaid matters, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes. Tenant shall not be obligated to pay rent for any time period that the Leased Premises, Licensed Premises, and Common Areas can not be used for Tenant's purpose due to such damage. In the event that a portion of the Leased Premises, Licensed Premises, and Common Areas are rendered unusable by fire, casualty, or structural defects, the amount of Tenant's rental payment shall be prorated accordingly, based upon the period of time and percentage of the Leased Premises, Licensed Premises, and Common Areas which cannot be used.

14. **Landlord's Covenant: Quiet Possession**

Landlord covenants and warrants only that upon performance by Tenant of all of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceful, undisturbed and uninterrupted possession of the Leased Premises during the Term of this Lease.

15. **Indemnity**

Tenant shall indemnify Landlord for all claims, causes of action, liabilities, damages, and cost, including but not limited to reasonable attorneys' fees, arising out of or related to the negligence, neglect, and/or willful misconduct of Tenant and/or Tenant's employees, agents, clients, or invitees.

16. **Termination and Default; Sale of Premises**

(A) **Events of Default:** Each of the following shall be an event of default:

(1) If the rent due under this Lease, or any part thereof, remains unpaid thirty (30) days after its due date.

(2) If either party breaches this Lease in any other material respect and such breach remains uncured for at least thirty (30) days following written notice thereof from the non-breaching party.

(3) IF an petition in bankruptcy is filed by Tenant; if Tenant is adjudged bankrupt or insolvent by any court of competent jurisdiction; if a receiver or trustee in bankruptcy or receiver of the property of Tenant shall be appointed in any suit or proceeding brought by or against Tenant; or if Tenant makes an assignment for the benefit of creditors.

(B) **Termination:** In the event of a default, the non-defaulting party may terminate this Lease by giving notice thereof to the defaulting party. Said notice shall state the date the Lease shall terminate, which shall be at least seven (7) days after the date the

notice is sent. Landlord may remove Tenant by summary proceeding or any other action or proceeding available at law or in equity.

(C) Damages and Costs: In the event either party shall be in default under this Lease, the defaulting party shall be liable to the non-defaulting party for all damages available to the non-defaulting party, at law or in equity, and the defaulting party shall pay to the non-defaulting party all costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements, whether or not any action or proceeding is commenced), incurred by the non-defaulting party in enforcing any of the covenants, in recovering possession of the Premises, in collecting any delinquent rent or other charge payable hereunder, or in connection with any litigation commenced by or against the defaulting party to which the non-defaulting party, without fault on its part, shall be made a party. If Landlord or Tenant shall fail to make payment or take any action as provided in this Lease, then the non-defaulting party, at its option may make such payment or take such action on the defaulting party's behalf, and the defaulting party shall repay the non-defaulting party, upon demand, the full amount so paid and/or the costs or expenses so incurred to take such action. If Tenant is the non-defaulting party, Tenant may deduct such sums due from Landlord from the rents and charges due from Tenant to Landlord under this Lease.

(D) Sale of the Premises: Notwithstanding any other provision contained in this Lease, in the event that Landlord sells the Premises, this Lease shall terminate upon the date of such sale without any further obligation or liability hereunder by either Landlord or Tenant. In such event, Landlord shall provide Tenant with notice of such termination as soon as practicable, but at least ninety (90) days prior to the date of the sale.

17. Notice

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord: The City of Cortland
 Office of Administration and Finance
 25 Court Street
 Cortland, NY 13045
 607-749-0678

If to Tenant Madison Cortland ARC
 701 Lenox Ave.
 Oneida, NY 13421
 315-363-3389

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this Paragraph by written notice thereof to the other party.

18. **Headings**

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

19. **Successors**

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

20. **Consent**

Except as otherwise set forth in this Lease, Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

21. **Compliance With Law**

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting Landlord's ownership of the Leased Premises.

22. **Wavier of Breach and Severability**

No waiver of a breach of any of the covenants of this Lease shall be construed to be a waiver of any succeeding breach of the same or any other covenant. The invalidity of any provision of this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

23. **Final Agreement**

This Agreement terminates and supersedes all prior understandings or agreements, whether oral or in writing, on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

THE CITY OF CORTLAND, NY

By: _____
Brian Tobin, Mayor

MADISON CORTLAND ARC

By: _____
Randy Schaal, President

**MEMORANDUM OF UNDERSTANDING
DOWNTOWN PARTNERSHIP, LLP
AGREEMENT**

THIS AGREEMENT, made and dated this _____ day of July, 2016, by and among the CITY of CORTLAND, a municipal corporation of the State of New York, with offices at City Hall, 25 Court Street, Cortland, New York, hereinafter referred to as the "CITY"; and the DOWNTOWN PARTNERSHIP, LLP, a municipal corporation of the State of New York, with offices at _____, New York, hereinafter referred to as the "DOWNTOWN".

WITNESSETH:

WHEREAS, the City of Cortland, down town Merchants and SUNY Cortland formed the Downtown Partnership (DTP); and

WHEREAS, the DTP perform a variety of functions which benefit the City of Cortland; and

WHEREAS, the City each year budgets funds to compensate the DTP for its services;

NOW, THEREFORE, it is agreed:

1. The City shall budget the sum of \$20,000.00 to be used to compensate the DTP.
2. The DTP shall perform, at the request of the City the following function:
 - a. Event planning and coordination
 - b. Administer the restaurant trash program, food waste and oil disposal.
 - c. Stakeholder/City relationship and communication.
 - d. Down town planning.
 - e. Grant preparation and management.
 - f. Assist with property value enhancement and property value stability and enhancement project.
 - g. Sale tax generation

The Contract term is January 1, 2015 – December 31, 2016.

CITY OF CORTLAND

DOWNTOWN PARTNERSHIP

By: Brian Tobin, Mayor

By: Adam McGivern, _____

Dated: _____

Dated: _____

By _____
Seconded _____

August 2, 2016

RESOLUTION # OF 2016

RESOLUTION OF THE CITY OF CORTLAND, NEW YORK,
AUTHORIZING AND ADOPTING POST-ISSUANCE
COMPLIANCE POLICIES AND PROCEDURES RELATING TO
THE CITY'S TAX-EXEMPT OBLIGATIONS

WHEREAS, the City of Cortland, New York (the "City") desires to ensure that the City complies with applicable provisions of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereto applicable to tax-exempt bond and note issues issued by the City from time to time;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Cortland, New York as follows:

Section 1. The Post-Issuance Compliance Policies and Procedures attached hereto as Exhibit A (the "Post-Issuance Compliance Policies and Procedures") are hereby approved and adopted. Finance

Section 2. The City Director of Administration and Finance is hereby authorized to take such actions, after appropriate consultation with the City's bond counsel, as he or she deems necessary, appropriate or desirable to effect the implementation of the Post-Issuance Compliance Policies and Procedures and hereby further authorizes the City Director of Administration and Finance to delegate to such other City officials, staff or employees as the City Director of Administration and Finance shall determine is necessary or appropriate, the responsibility to take certain specific actions called for by the Post-Issuance Compliance Policies and Procedures.

Section 3. This resolution shall take effect immediately upon its adoption.

STATE OF NEW YORK)
) SS.:
COUNTY OF CORTLAND)

I, Raymond A. Parker, Clerk of the City of Cortland, Cortland County, New York (the "City"), DO HEREBY CERTIFY:

That I have compared the annexed abstract of the minutes of the meeting of the Common Council of the City, held on the 2nd day of August, 2016, including the resolution contained therein, with the original thereof on file in my office, and the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that the full Common Council of the City consists of eight (8) members; that _____ () members of the Common Council were present at such meeting; and that _____ () of such members voted in favor of the above resolution.

I FURTHER CERTIFY that (i) all members of the Common Council had due notice of the meeting, (ii) pursuant to Article 7 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public, and due notice of the time and place of such meeting was duly given in accordance with Article 7 of the Public Officers Law, and (iii) the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City this _____ day of August, 2016.

Raymond A. Parker, Clerk, City of Cortland,
Cortland County, New York

(SEAL)

EXHIBIT A

CITY OF CORTLAND POST-ISSUANCE COMPLIANCE POLICIES AND PROCEDURES FOR TAX-EXEMPT BOND OBLIGATIONS

PURPOSE OF THIS POLICY

This Post-Issuance Compliance Policies and Procedures (this "Policy and Procedures") sets forth specific policies and procedures of the City of Cortland, New York (the "City") designed to ensure the City complies with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations promulgated thereunder (the "Treasury Regulations") applicable to tax-exempt bonds (the "Bonds") issued to finance City facilities.

It is the City's policy to fulfill all requirements that must be satisfied subsequent to the issuance of Bonds in order that interest on such obligations be, or continue to be, or would be but for certain provisions of the Code, excludable from gross income for federal income tax purposes. The City recognizes that compliance with the applicable provisions of the Code and the Treasury Regulations is an on-going process, necessary during the entire term of the Bonds and is an integral component of the City's debt management. Accordingly, the implementation of this Policy and Procedures will require on-going monitoring and, more than likely, ongoing consultation with legal counsel.

WHO NEEDS TO KNOW THE POLICIES AND PROCEDURES

This Policy and Procedures shall be communicated to all City officers and staff with responsibility or control over any aspect of the Bond issuance, the investment or expenditure of Bond proceeds and the use of Bond-financed assets, including but not limited to those who manage, direct or influence the following:

1. The pre-issuance process and decision-making, including identification of eligible projects;
2. The expenditure of Bond proceeds and other City funds for project costs;
3. The investment of Bond proceeds and other City funds;
4. The use of all facilities and other assets financed or refinanced by Bonds, including use by the City or by third parties pursuant to leases, management agreements, service agreements, fee-for-use or other arrangements;
5. The sale or other disposition of any facilities or other assets financed or refinanced by Bonds;
6. The creation and retention of documentation relating to expenditure of Bond proceeds, the use and disposition of Bond-financed assets, Arbitrage and tax return filings; and

7. The recording and reporting of financial transactions related to Bonds.

DEFINITIONS

"Applicable Federal Law" – Includes the Code and the Treasury Regulations, including Sections 141 through 150 of the Code and the related Treasury Regulations (Note: IRS Publication 4077: Tax-Exempt Bonds for 501(c)(3) Charitable Organizations Compliance Guide provides guidance and explanation for most areas of tax-exempt financing relevant to the City. The report of the Advisory Committee on Tax Exempt and Government Entities, entitled: After the Bonds are Issued: Then What?, is also a useful resource for explanation of Applicable Federal Law).

"Arbitrage" – Earnings from investment of Bond proceeds in excess of the amount that would have been earned had the funds been invested at the Bond yield, adjusted for certain expenses (i.e., investment yield higher than the Bond yield).

"Private Business Use" – Examples of Private Business Use include the use of Bond-financed assets by parties other than the City including use by third parties pursuant to leases, management or service contracts that do not meet Internal Revenue Service ("IRS") requirements, and any other arrangements that provide third parties with special legal entitlements to use or occupy (or otherwise benefit from) Bond-financed property. Generally, no more than ten percent (10%) of Bond proceeds may be used for Private Business Use. The use of Bond proceeds is generally determined based on the use of the Bond-financed property.

"Tax Certificate" – The arbitrage and tax compliance certificate signed by the City at the closing of a Bond issuance in which the City makes certain representations, warranties and covenants relating to the expected use of the Bond proceeds, the tax eligibility of the projects and the City's operations.

POLICY AND PROCEDURES

General Policy

It is the City's policy to comply with all applicable laws, regulations and contracts applicable to Bonds, including all Applicable Federal Law, to ensure that interest on the Bonds remains exempt from federal income tax. Unless otherwise approved by the City's legal counsel, the City shall comply with the guidelines with respect to management contracts set forth in Revenue Procedure 97-13, as the same may be amended and supplemented from time to time.

Responsibility for Monitoring Post-Issuance Tax Compliance

The City's Director of Administration and Finance (the "Director of Administration and Finance") shall have primary responsibility for monitoring the City's compliance with post-issuance federal tax requirements for Bonds, and for implementing/overseeing procedures necessary to ensure such compliance. The Director of Administration and Finance shall communicate this Policy and Procedures to all appropriate City personnel. The Director of

Administration and Finance may modify the detailed policies and procedures described herein as necessary to promote compliance with Applicable Federal Law.

Detailed Policies and Procedures

The City shall abide by the following policies, and shall implement the following procedures, to ensure that interest on Bonds remains tax-exempt:

1. Expenditures of Bond Proceeds.

- a. Bond proceeds, including investment earnings thereon, shall be disbursed only for project costs, capitalized interest (i.e., interest payments during project construction), Bond issuance costs and other purposes expressly allowed under the Bond documents and authorizing bond ordinances. All Bond-financed property must be owned by the City.
- b. If the City intends to reimburse itself from Bond proceeds for project costs paid prior to issuance of the Bonds, the City shall adopt a declaration of official intent to reimburse project costs. The City shall consult with nationally recognized bond counsel to ensure the declaration of intent meets the requirements of Applicable Federal Law.

2. Final Allocation of Bond Proceeds. Promptly after the final expenditure of Bond proceeds, the Director of Administration and Finance shall prepare a written report documenting the allocation of Bond proceeds (including interest earnings thereon) and other City funds to project expenditures (the "Final Allocation"). In all cases, the Final Allocation shall be completed within 18 months after the later of the date Bond proceeds are expended or the date the project is placed in service, but not later than 5 years after the Bonds were issued. It is recommended that the City consult with nationally recognized bond counsel in connection with the Final Allocation of Bond proceeds. Reminders should be placed in appropriate calendars to ensure Final Allocation of Bond proceeds are made timely.

3. Private Business Use of Bond-Financed Property.

- a. General. No more than ten percent (10%) of Bond proceeds may be used for Private Business Use, and such use may occur only in accordance with the Tax Certificate and Applicable Federal Law. The use of Bond proceeds is generally evaluated, for Private Business Use purposes, based on the use of Bond-financed assets. The following uses of Bond-financed property shall require the Director of Administration and Finance's prior approval:
 - (i) use by third parties (i.e., other than the City), including but not limited to leases, licenses, fee-for-use or other arrangements;

- (ii) management or service contracts under which the manager or service provider's compensation is based, in whole or in part, on income from operation from the facility; and
- (iii) any other use that could potentially be considered Private Business Use under Applicable Federal Law.

b. Annual Measurement of Private Business Use. The Director of Administration and Finance shall maintain a record of all Bond financed property, including the amount of Bond proceeds allocated to each asset, which shall be based on the Final Allocation of Bond proceeds described above. The Director of Administration and Finance shall annually review all uses of Bond financed property and determine the percentage of Private Business Use of Bond-financed property. The Director of Administration and Finance shall maintain records of all Private Business Use, if any, of Bond-financed property, including copies of the pertinent leases, contracts or other documentation, and the related determination that any Private Business Use is within permissible limits under Applicable Federal Law.

4. Change of Use. Any significant change in the use of Bond-financed property must be reported to the Director of Administration and Finance prior to implementation. The Director of Administration and Finance shall determine whether the proposed new use may constitute Private Business Use. If the use may be Private Business Use, the Director of Administration and Finance shall consult with counsel for tax advice on whether that use or arrangement, if put into effect, will be consistent with the restrictions on Private Business Use and, if not, whether any "remedial action" permitted under the Code may be taken by the City as a means of enabling that use.

5. Sale or Disposition. Any sale or other disposition of Bond-financed property must be reported to the Director of Administration and Finance prior execution of any agreement of sale or other agreement of disposition. The Director of Administration and Finance shall determine whether the Bond-financed property has any remaining useful life in accordance with the Tax Certificate and Applicable Federal Law, and if so, consult with nationally recognized bond counsel as to the requirements of Applicable Federal Law applicable to the sale or other disposition and the appropriate "remedial action" permitted by the Code that must be undertaken by the City as a result of the potential sale or other disposition of the Bond-financed property.

6. Investment of Bond Proceeds; Arbitrage and Rebate.

- a. Prior to expenditure for project costs, Bond proceeds shall be invested solely in compliance with the Local Finance Law, Applicable Federal Law and the Tax Certificate. The City may invest Bond proceeds at a yield in excess of the Bond yield only during the applicable "temporary period" (as defined in the Code and the Treasury Regulations), and shall provide for yield restriction on the investment of such proceeds after the applicable temporary period. The City shall

ensure that investments acquired with proceeds of an issue are purchased at "fair market value," as defined in Treasury Regulations.

- b. The Director of Administration and Finance shall determine whether the Bonds are eligible for an Arbitrage rebate exception. If the Bonds are not exempt from Arbitrage rebate, the Director of Administration and Finance shall compute the amount of Arbitrage earnings, and make all required rebate payments to the IRS, on each computation date required by Applicable Federal Law. The Director of Administration and Finance shall consider retaining an arbitrage rebate service provider to prepare arbitrage rebate calculations.

7. Reissuance. Before modifying any Bond terms, the City shall consult with nationally recognized bond counsel to determine whether the proposed modification could potentially be treated as a "reissuance" of those Bonds for federal income tax purposes.

8. Filing of Returns. The City will work with nationally recognized bond counsel to prepare and file any returns with the IRS relating to Arbitrage rebate in a timely manner. The City will confirm with bond counsel that the information report required to be filed upon issuance of Bonds (e.g., Form 8038) was filed with the IRS on a timely basis.

9. Record Retention. Unless otherwise permitted by future Treasury Regulations or IRS guidance, written records (which may be in electronic form) will be maintained with respect to each Bond issue for as long as those Bonds (and any Bonds issued to refinance those Bonds) remain outstanding, plus three years. The records to be maintained shall include:

- a. basic records relating to the Bond issuance including the official transcript of proceedings;
- b. documentation evidencing expenditure of Bond proceeds including, but not limited to, purchase contracts, construction contracts, progress payment requests, invoices, cancelled checks, payment of Bond issuance costs, and records of "allocations" of Bond proceeds to reimburse the City for project expenditures made before the Bonds were actually issued;
- c. records showing the specific assets financed with Bond proceeds (including assets to which Bond proceeds are allocated pursuant to the Final Allocation described above);
- d. information, records and calculations showing that, with respect to each Bond issue, the City was eligible for one of the Arbitrage rebate spending exceptions or, if not, that the Arbitrage rebate amount, if any, was calculated and timely paid to the IRS;
- e. documentation evidencing use of Bond-financed property by public and private entities (including copies of leases and management contracts);

- f. records showing that special use arrangements, if any, affecting Bond-financed property made by the City with third parties, if any, are consistent with applicable restrictions on Private Business Use of property financed with proceeds of tax-exempt Bonds;
- g. records of any sale or disposition of Bond-financed property, including terms of sale, and documentation of any “remedial action” undertaken as a result of the sale or other disposition; and
- h. documentation pertaining to any investment of proceeds of the issue, including the purchase and sale of securities, calculations for each class of investments and actual investment income received and Arbitrage rebate calculations.

The purpose of the foregoing record retention policy is to enable the City to readily demonstrate to the IRS, upon an audit of any Bond issue, that the City has fully complied with all Applicable Federal Law requirements that must be satisfied after the issue date of the Bonds so that interest on those Bonds continues to be tax-exempt under the Code.

10. Consultation with Nationally Recognized Bond Counsel. The Director of Administration and Finance shall consult with qualified legal counsel as appropriate to resolve questions relating to potential Private Business Use of Bond-financed assets, Final Allocation of Bond proceeds, Arbitrage rebate and other matters relating to compliance with Applicable Federal Law.

11. Corrective Actions. Upon discovering any violation of Applicable Federal Law including, but not limited to, excess Private Business Use, violation of Arbitrage restrictions or sale of Bond-financed assets, the Director of Administration and Finance shall promptly consult with legal counsel to determine appropriate remedial action to correct such violation. If remedial action is not available, the City will undertake to remedy the violation through the IRS Voluntary Closing Agreement Program (VCAP).

Adopted: August 2, 2016

Mack Cook

From: Kelley, Edwin J <KelleyE@bsk.com>
Sent: Friday, July 22, 2016 9:15 AM
To: Mack Cook
Subject: EFC Tax Questionnaire
Attachments: SYRNY1-#2730217-v1-Resolution_Approving_Post-Issuance_Compliance_Policies.DOCX;
SYRNY1-#2730381-v1-NYSEFC_-_Tax_Questionnaire.DOCX

Mack:

I am returning to you the EFC Tax Questionnaire that has been completed based on our conversation yesterday.

In response to question 12, the commencement date of the project needs to be inserted.

The following items need to be forwarded to EFC's bond counsel with the Tax Questionnaire:

- Question 2 - EFC Loan Agreement;
- Question 4 – Arbitrage Certificates and IRS Form 8038 for the following note issues:
 - \$650,000 Bond Anticipation Note, 2013 – July 18, 2013
 - \$1,800,000 Bond Anticipation Note, 2014 – January 17, 2014
 - \$1,800,000 Bond Anticipation Note, 2014 – May 14, 2014
- Question 9 – Schedule of costs previously paid;
- Question 10 – Bond Resolution No. 2 of 2013;
- Question 15 – Cortlandville, McGraw and Homer Intermunicipal Agreements; and
- Question 25 – Post-Issuance Compliance Policies and Procedures.

Attached is the proposed resolution to be adopted by the Common Council at its meeting on August 2, 2016 to adopt Post-Issuance Compliance Policies and Procedures. The Post-Issuance Compliance Policies and Procedures are attached as Exhibit A to the resolution.

I will send to you, by a separate e-mail, the Arbitrage Certificates and IRS Form 8038 for the bond anticipation notes (Question 4), Bond Resolution No. 2 of 2013 (Question 10) and a clean copy of the Post-Issuance Compliance Procedures (Question 25) to be forwarded to EFC's bond counsel with the Tax Questionnaire. Let me know if you need a copy of the EFC Loan Agreement for the \$13,209,000 EFC Clean Water Note – 2014.

Please call if you have any questions. Ed

Edwin J. Kelley, Jr.
Member
315.218.8123 Direct
315.218.8411 Fax

By _____
Seconded _____

August 2, 2016

RESOLUTION # OF 2016

RESOLUTION OF THE CITY OF CORTLAND, NEW YORK,
AUTHORIZING AND ADOPTING POST-ISSUANCE
COMPLIANCE POLICIES AND PROCEDURES RELATING TO
THE CITY'S TAX-EXEMPT OBLIGATIONS

WHEREAS, the City of Cortland, New York (the "City") desires to ensure that the City complies with applicable provisions of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereto applicable to tax-exempt bond and note issues issued by the City from time to time;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Cortland, New York as follows:

Section 1. The Post-Issuance Compliance Policies and Procedures attached hereto as Exhibit A (the "Post-Issuance Compliance Policies and Procedures") are hereby approved and adopted. Finance

Section 2. The City Director of Administration and Finance is hereby authorized to take such actions, after appropriate consultation with the City's bond counsel, as he or she deems necessary, appropriate or desirable to effect the implementation of the Post-Issuance Compliance Policies and Procedures and hereby further authorizes the City Director of Administration and Finance to delegate to such other City officials, staff or employees as the City Director of Administration and Finance shall determine is necessary or appropriate, the responsibility to take certain specific actions called for by the Post-Issuance Compliance Policies and Procedures.

Section 3. This resolution shall take effect immediately upon its adoption.

STATE OF NEW YORK)
) SS.:
COUNTY OF CORTLAND)

I, Raymond A. Parker, Clerk of the City of Cortland, Cortland County, New York (the "City"), DO HEREBY CERTIFY:

That I have compared the annexed abstract of the minutes of the meeting of the Common Council of the City, held on the 2nd day of August, 2016, including the resolution contained therein, with the original thereof on file in my office, and the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that the full Common Council of the City consists of eight (8) members; that _____ () members of the Common Council were present at such meeting; and that _____ () of such members voted in favor of the above resolution.

I FURTHER CERTIFY that (i) all members of the Common Council had due notice of the meeting, (ii) pursuant to Article 7 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public, and due notice of the time and place of such meeting was duly given in accordance with Article 7 of the Public Officers Law, and (iii) the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City this ____ day of August, 2016.

Raymond A. Parker, Clerk, City of Cortland,
Cortland County, New York

(SEAL)

EXHIBIT A

**CITY OF CORTLAND
POST-ISSUANCE COMPLIANCE POLICIES AND PROCEDURES
FOR TAX-EXEMPT BOND OBLIGATIONS**

PURPOSE OF THIS POLICY

This Post-Issuance Compliance Policies and Procedures (this "Policy and Procedures") sets forth specific policies and procedures of the City of Cortland, New York (the "City") designed to ensure the City complies with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations promulgated thereunder (the "Treasury Regulations") applicable to tax-exempt bonds (the "Bonds") issued to finance City facilities.

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1. The pre-issuance process and decision-making, including identification of eligible projects;
2. The expenditure of Bond proceeds and other City funds for project costs;
3. The investment of Bond proceeds and other City funds;
4. The use of all facilities and other assets financed or refinanced by Bonds, including use by the City or by third parties pursuant to leases, management agreements, service agreements, fee-for-use or other arrangements;
5. The sale or other disposition of any facilities or other assets financed or refinanced by Bonds;
6. The creation and retention of documentation relating to expenditure of Bond proceeds, the use and disposition of Bond-financed assets, Arbitrage and tax return filings; and

7. The recording and reporting of financial transactions related to Bonds.

DEFINITIONS

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"Private Business Use" – Examples of Private Business Use include the use of Bond-financed assets by parties other than the City including use by third parties pursuant to leases, management or service contracts that do not meet Internal Revenue Service ("IRS") requirements, and any other arrangements that provide third parties with special legal entitlements to use or occupy (or otherwise benefit from) Bond-financed property. Generally, no more than ten percent (10%) of Bond proceeds may be used for Private Business Use. The use of Bond proceeds is generally determined based on the use of the Bond-financed property.

"Tax Certificate" – The arbitrage and tax compliance certificate signed by the City at the closing of a Bond issuance in which the City makes certain representations, warranties and covenants relating to the expected use of the Bond proceeds, the tax eligibility of the projects and the City's operations.

POLICY AND PROCEDURES

General Policy

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The City's Director of Administration and Finance (the "Director of Administration and Finance") shall have primary responsibility for monitoring the City's compliance with post-issuance federal tax requirements for Bonds, and for implementing/overseeing procedures necessary to ensure such compliance. The Director of Administration and Finance shall communicate this Policy and Procedures to all appropriate City personnel. The Director of

Administration and Finance may modify the detailed policies and procedures described herein as necessary to promote compliance with Applicable Federal Law.

Detailed Policies and Procedures

The City shall abide by the following policies, and shall implement the following procedures, to ensure that interest on Bonds remains tax-exempt:

1. Expenditures of Bond Proceeds.
 - a. Bond proceeds, including investment earnings thereon, shall be disbursed only for project costs, capitalized interest (i.e., interest payments during project construction), Bond issuance costs and other purposes expressly allowed under the Bond documents and authorizing bond ordinances. All Bond-financed property must be owned by the City.
 - b. If the City intends to reimburse itself from Bond proceeds for project costs paid prior to issuance of the Bonds, the City shall adopt a declaration of official intent to reimburse project costs. The City shall consult with nationally recognized bond counsel to ensure the declaration of intent meets the requirements of Applicable Federal Law.
2. Final Allocation of Bond Proceeds. Promptly after the final expenditure of Bond proceeds, the Director of Administration and Finance shall prepare a written report documenting the allocation of Bond proceeds (including interest earnings thereon) and other City funds to project expenditures (the "Final Allocation"). In all cases, the Final Allocation shall be completed within 18 months after the later of the date Bond proceeds are expended or the date the project is placed in service, but not later than 5 years after the Bonds were issued. It is recommended that the City consult with nationally recognized bond counsel in connection with the Final Allocation of Bond proceeds. Reminders should be placed in appropriate calendars to ensure Final Allocation of Bond proceeds are made timely.
3. Private Business Use of Bond-Financed Property.
 - a. General. No more than ten percent (10%) of Bond proceeds may be used for Private Business Use, and such use may occur only in accordance with the Tax Certificate and Applicable Federal Law. The use of Bond proceeds is generally evaluated, for Private Business Use purposes, based on the use of Bond-financed assets. The following uses of Bond-financed property shall require the Director of Administration and Finance's prior approval:
 - (i) use by third parties (i.e., other than the City), including but not limited to leases, licenses, fee-for-use or other arrangements;

- (ii) management or service contracts under which the manager or service provider's compensation is based, in whole or in part, on income from operation from the facility; and
- (iii) any other use that could potentially be considered Private Business Use under Applicable Federal Law.

b. Annual Measurement of Private Business Use. The Director of Administration and Finance shall maintain a record of all Bond financed property, including the amount of Bond proceeds allocated to each asset, which shall be based on the Final Allocation of Bond proceeds described above. The Director of Administration and Finance shall annually review all uses of Bond financed property and determine the percentage of Private Business Use of Bond-financed property. The Director of Administration and Finance shall maintain records of all Private Business Use, if any, of Bond-financed property, including copies of the pertinent leases, contracts or other documentation, and the related determination that any Private Business Use is within permissible limits under Applicable Federal Law.

4. Change of Use. Any significant change in the use of Bond-financed property must be reported to the Director of Administration and Finance prior to implementation. The Director of Administration and Finance shall determine whether the proposed new use may constitute Private Business Use. If the use may be Private Business Use, the Director of Administration and Finance shall consult with counsel for tax advice on whether that use or arrangement, if put into effect, will be consistent with the restrictions on Private Business Use and, if not, whether any "remedial action" permitted under the Code may be taken by the City as a means of enabling that use.

5. Sale or Disposition. Any sale or other disposition of Bond-financed property must be reported to the Director of Administration and Finance prior execution of any agreement of sale or other agreement of disposition. The Director of Administration and Finance shall determine whether the Bond-financed property has any remaining useful life in accordance with the Tax Certificate and Applicable Federal Law, and if so, consult with nationally recognized bond counsel as to the requirements of Applicable Federal Law applicable to the sale or other disposition and the appropriate "remedial action" permitted by the Code that must be undertaken by the City as a result of the potential sale or other disposition of the Bond-financed property.

6. Investment of Bond Proceeds; Arbitrage and Rebate.

- a. Prior to expenditure for project costs, Bond proceeds shall be invested solely in compliance with the Local Finance Law, Applicable Federal Law and the Tax Certificate. The City may invest Bond proceeds at a yield in excess of the Bond yield only during the applicable "temporary period" (as defined in the Code and the Treasury Regulations), and shall provide for yield restriction on the investment of such proceeds after the applicable temporary period. The City shall

ensure that investments acquired with proceeds of an issue are purchased at "fair market value," as defined in Treasury Regulations.

- b. The Director of Administration and Finance shall determine whether the Bonds are eligible for an Arbitrage rebate exception. If the Bonds are not exempt from Arbitrage rebate, the Director of Administration and Finance shall compute the amount of Arbitrage earnings, and make all required rebate payments to the IRS, on each computation date required by Applicable Federal Law. The Director of Administration and Finance shall consider retaining an arbitrage rebate service provider to prepare arbitrage rebate calculations.

7. Reissuance. Before modifying any Bond terms, the City shall consult with nationally recognized bond counsel to determine whether the proposed modification could potentially be treated as a "reissuance" of those Bonds for federal income tax purposes.

8. Filing of Returns. The City will work with nationally recognized bond counsel to prepare and file any returns with the IRS relating to Arbitrage rebate in a timely manner. The City will confirm with bond counsel that the information report required to be filed upon issuance of Bonds (e.g., Form 8038) was filed with the IRS on a timely basis.

9. Record Retention. Unless otherwise permitted by future Treasury Regulations or IRS guidance, written records (which may be in electronic form) will be maintained with respect to each Bond issue for as long as those Bonds (and any Bonds issued to refinance those Bonds) remain outstanding, plus three years. The records to be maintained shall include:

- a. basic records relating to the Bond issuance including the official transcript of proceedings;
- b. documentation evidencing expenditure of Bond proceeds including, but not limited to, purchase contracts, construction contracts, progress payment requests, invoices, cancelled checks, payment of Bond issuance costs, and records of "allocations" of Bond proceeds to reimburse the City for project expenditures made before the Bonds were actually issued;
- c. records showing the specific assets financed with Bond proceeds (including assets to which Bond proceeds are allocated pursuant to the Final Allocation described above);
- d. information, records and calculations showing that, with respect to each Bond issue, the City was eligible for one of the Arbitrage rebate spending exceptions or, if not, that the Arbitrage rebate amount, if any, was calculated and timely paid to the IRS;
- e. documentation evidencing use of Bond-financed property by public and private entities (including copies of leases and management contracts);

- f. records showing that special use arrangements, if any, affecting Bond-financed property made by the City with third parties, if any, are consistent with applicable restrictions on Private Business Use of property financed with proceeds of tax-exempt Bonds;
- g. records of any sale or disposition of Bond-financed property, including terms of sale, and documentation of any “remedial action” undertaken as a result of the sale or other disposition; and
- h. documentation pertaining to any investment of proceeds of the issue, including the purchase and sale of securities, calculations for each class of investments and actual investment income received and Arbitrage rebate calculations.

The purpose of the foregoing record retention policy is to enable the City to readily demonstrate to the IRS, upon an audit of any Bond issue, that the City has fully complied with all Applicable Federal Law requirements that must be satisfied after the issue date of the Bonds so that interest on those Bonds continues to be tax-exempt under the Code.

10. Consultation with Nationally Recognized Bond Counsel. The Director of Administration and Finance shall consult with qualified legal counsel as appropriate to resolve questions relating to potential Private Business Use of Bond-financed assets, Final Allocation of Bond proceeds, Arbitrage rebate and other matters relating to compliance with Applicable Federal Law.

11. Corrective Actions. Upon discovering any violation of Applicable Federal Law including, but not limited to, excess Private Business Use, violation of Arbitrage restrictions or sale of Bond-financed assets, the Director of Administration and Finance shall promptly consult with legal counsel to determine appropriate remedial action to correct such violation. If remedial action is not available, the City will undertake to remedy the violation through the IRS Voluntary Closing Agreement Program (VCAP).

Adopted: August 2, 2016

**NEW YORK STATE ENVIRONMENTAL FACILITIES CORPORATION
STATE CLEAN WATER AND DRINKING WATER
STATE REVOLVING FUNDS REVENUE BONDS
SERIES 2016 B**

TAX QUESTIONNAIRE

Each capitalized terms used in this Tax Questionnaire shall have the following meanings:

“**Project**” means the project that is described in the application submitted to the Corporation and constitutes those costs that will be funded by the Corporation under the Agreement.

“**Governmental Entity**” means a state, city, town, village, county, special district or joint powers authority.

“**Non-Governmental Person**” means any person, partnership, corporation, or other organization that is not a Governmental Entity. The federal government is a Non-Governmental Person. An Internal Revenue Code Section 501(c)(3) organization is also a Non-Governmental Person.

LEGAL NAME OF APPLICANT

City of Cortland

PROJECT NUMBER(S)

C7-6275-04-00

NAME AND LOCATION OF PROJECT

Wastewater Treatment Plant Reconstruction

PERIOD OF PROBABLE USEFULNESS (“PPU”) OF THE PROJECT

40 years; LFL Section 11.00(a)(4)

DESCRIPTION OF PROJECT

1. Will the description of the Project, its functions and its principal components be different in any material respect from those contemplated in the Agreement?

Yes No

If yes, please describe how the functions and principal components of the Project will be different from those contemplated in the Agreement.

2. Will any portion of the financing provided under the Agreement be used to refinance existing debt relating to the Project (“Existing Debt to be Refinanced”), including any short-term financings (e.g., bond anticipation notes and direct loans or grid notes with the Corporation)?

Yes No

If yes, what is the amount of the financing under the Agreement that is expected to be used for refinancing purposes?

\$7,555,295.78

If yes, please also attach copies of each official statement, arbitrage or tax certificate, IRS Form 8038-G and verification report, if any, with respect to the Existing Debt to be Refinanced. Note that existing indebtedness includes all bonds, notes, leases or commercial paper issued by the Applicant relating to any portion of the Project. If no, skip to Question 6.

3. If you answered "yes" to Question 2, please specify the date(s) on which the financing provided under the Agreement will be used to redeem the Existing Debt to be Refinanced.

September 22, 2016

4. If you answered "yes" to Question 2, was the Existing Debt to be Refinanced used to refinance other prior debt relating to the Project (the "Prior Debt")?

Yes No

If yes, please provide the amount of the other prior debt refinanced by the Existing Debt to be Refinanced under the Agreement and provide the same documents requested in Question 2.

\$650,000 BAN – July 18, 2013

\$1,800,000 BAN – January 17, 2014

\$1,800,000 BAN – May 14, 2014

5. If you answered "yes" to Question 2, are there any proceeds of the Existing Debt to be Refinanced (or Prior Debt) that remain unspent?

Yes No

If yes, please (a) give the amounts of such unspent proceeds, (b) identify the funds or accounts in which such proceeds are on deposit, and (c) provide an estimate of when such unspent proceeds will be spent.

(a)

(b)

(c)

6. Will any portion of the financing provided under the Agreement be used for new financing of the Project?

Yes No

If yes, state the amount of the financing under the Agreement that is expected to be used for new financing purposes.

\$5,653,704.22

If no, skip to Question 12.

7. If you answered "yes" to Question 6, what percentage of the loan proceeds for new financing of the Project will be used for:

Construction Purposes: 100%

Acquisition Purposes:

8. If you answered "yes" to Question 6, indicate the amount of Project costs to be newly financed under the Agreement that are expected to be used to pay for the Project costs by the following periods of time, as measured from the expected date of the funding of the loan:

at 6 months: 100%

at 12 months:

at 18 months:

at 24 months:

at 36 months:

after 36 months:

9. If you answered "yes" to Question 6, has the Applicant paid any costs of the Project prior to the date hereof?

Yes No

For each Project cost that has been previously paid, provide a list of the (i) amount paid, (ii) purpose of the payment, (iii) date paid and (iv) source of payment of such cost (e.g., revenue, Federal or State grants, other financing or internal loan).

(i) See attached

(ii)

(iii)

(iv)

10. If you answered "yes" to Question 9, specify the date on which the Applicant adopted a resolution or other official action (i.e., a "reimbursement resolution") evidencing the Applicant's intent to reimburse costs of the Project paid prior to the issue date of the Bonds and provide a copy of such reimbursement resolution.

May 21, 2013 Bond Resolution No. 2 of 2013

11. If you answered "yes" to Question 9, will any portion of the financing provided under the Agreement be used to pay costs for architectural, engineering, surveying, soil testing, reimbursement of bond issuance or similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of the Project, other than land acquisition, site preparation or similar costs incident to commencement of construction?

Yes No

If yes, state the amount expected to be so used and provide details as to its calculation (i.e., based on actual costs or as a percentage of construction).

See attached; all based on actual contracts

12. What are the dates of (expected) commencement and completion of construction of the Project?

Commencement _____; Completion October 30, 2016

13. Will any portion of the financing provided under the Agreement be used to pay local costs of issuance such as bond counsel and financial advisor fees?

Yes No

If yes, state the amount expected to be so used and provide details as to its calculation.

\$44,600 per engagement agreements

14. Will any portion of the financing provided under the Agreement be used to fund a debt service reserve fund?

Yes No

If yes, please state the amount expected to be so used.

15. Has the Applicant entered into, or does the Applicant anticipate entering into, any inter-municipal agreements with respect to any portion of the Project or capacity of the Project at any time?

Yes No

If yes, describe the purpose of each agreement and attach a copy of any existing or contemplated agreement.

Cortlandville, McGraw, Village of Homer inter-municipal agreements

16. Does any other entity, or does the Applicant anticipate that any other entity will, own (e.g., through a condominium or partnership or other joint venture arrangement) or lease any portion of the Project at any time during the term of the financing?

Yes No

If yes, identify the entity and provide all available details with respect to its ownership or leasehold arrangement, including the square footage of the space owned or leased and the fair market value of such space. Please attach a copy of any such existing (or proposed) ownership arrangement or lease.

17. Has any Non-Governmental Person contracted, or does the Applicant anticipate any Non-Governmental Person contracting, to operate, manage or provide any exclusive services with respect to any portion of the Project at any time?

Yes No

If yes, identify the Non-Governmental Person and explain the arrangement. If an operations, management or exclusive services contract currently exists, provide a copy. Contracts that relate solely to services that are merely incidental to the primary use of the Project need not be listed. Examples of incidental services are janitorial services, office equipment repairs and billing services. If the Applicant is uncertain as to whether the contract relates to merely incidental services, describe the contract and the services provided thereunder.

18. Does or will the Project provide water or wastewater services to any Non-Governmental Person other than on the basis of rates and charges which are generally applicable and uniformly applied and are adjusted from time to time by the Applicant?

Yes No

If there are or will be any rates or charges that do not meet the foregoing standard, describe the rate structure, focusing on any special rate agreements or charges for specific entities. An example of a non-standard charge is an industrial user paying a flat fee in a system where the other industrial users pay based on their amount of use of the system.

19. Does any Non-Governmental Person have, or does the Applicant anticipate any Non-Governmental Person having, special priority rights or other preferential rights to use the Project pursuant to any contractual or other arrangement?

Yes No

If yes, identify the Non-Governmental Person and describe the special priority or other preferential right(s).

20. Are (and will) the functions or services of the entire Project (be) available for use by the general public on a first-come, first-served basis?

Yes No

If no, describe the portion of the Project that will not be available for use by the general public on a first-come, first-served basis. For example, municipal water and wastewater systems used for residential, commercial, governmental and business purposes are available for use by the general public on a first-come, first-served basis; a specialized wastewater treatment facility immediately adjacent to a private business that is the sole user of the facility is not available for use by the general public.

21. Has the Applicant entered into, or does the Applicant anticipate entering into, a "take contract" or "take-or-pay contract" with any Non-Governmental Person for use of any portion of the Project? A "take contract" is an output contract under which a purchaser agrees to pay for the output under the contract if the output facility is capable of providing the output. A "take-or-pay contract" is an output contract under which a purchaser agrees to pay for the output under the contract, whether or not the output facility is capable of providing the output.

Yes No

If yes, identify the Non-Governmental Person and explain the arrangement. Please also provide a copy of any "take contracts" or "take-or-pay contracts."

22. Will any Non-Governmental Person guarantee or otherwise be directly obligated to repay any portion of the financing provided under the Agreement?

Yes No

If yes, identify the Non-Governmental Person and describe the guarantee arrangement.

23. Has the Applicant received, or does the Applicant expect to receive, any grant or other form of assistance for financing of any portion of the Project from New York State, the Federal government or any other entity or person?

Yes No

If yes, explain.

NYS Energy Research and Development Authority grant (\$2,000,000); Water Quality Improvement Project grant (\$300,000)

24. Will any portion of the financing provided under the Agreement be used as a substitute for other funds which were otherwise to be used as a source of financing for the Project and which have been used or will be used to acquire, directly or indirectly, other investment property?

Yes No

If yes, explain.

25. Has the Applicant established written procedures which address post-issuance compliance with applicable tax-law and remedial-action requirements relating to tax-exempt obligations (e.g., tracking and tracing of investments and expenditures, review of agreements relating to the use of the Project and reviewing of any change(s) in the use or operation of the Project)?

Yes No

If yes, provide a copy of the written procedures.

If no, the Applicant will be required to establish such written procedures before the issue date of the Bonds and provide a copy to the same persons to whom this Questionnaire is to be sent. Please consult with your Applicant Bond Counsel in the preparation of such written procedures.

26. Have any of the Applicant's Federally tax-exempt bonds or notes or other tax-advantaged bonds or notes, such as Build America Bonds, been the subject of an IRS audit or IRS information document request (an "IDR") or the subject of a request by the Applicant for settlement with the IRS under its Voluntary Closing Agreement Program ("VCAP") within the last five years?

Yes No

If yes, provide the status of such IRS audit, IDR and VCAP, as applicable.

APPLICANT ACKNOWLEDGEMENT AND SIGNATURE

I hereby certify that I am authorized by the Applicant to certify this Tax Questionnaire. I am charged with the responsibility to perform such acts as are necessary and proper for the financing, refinancing, construction, acquisition or improvement of the Project, and I am acting for and on behalf of the Applicant in certifying this Tax Questionnaire. I am familiar with the Project and the Agreement, and all information contained herein is true, correct and complete to the best of my knowledge. I am not aware of any facts or circumstances that would cause me to question the accuracy or reasonableness of any information contained in the foregoing responses or the attached documentation. This Tax Questionnaire has been prepared in consultation with Applicant Bond Counsel. I understand that the foregoing responses and the attached documentation will be relied upon by the Corporation, and its counsel, in providing financing with respect to the Project.

AUTHORIZED SIGNATURE	PRINT NAME AND TITLE	DATE
	Mack Cook, Director of Administration and Finance	

E-MAIL COMPLETED QUESTIONNAIRE TO:

Patti Wu (Patti.Wu@nortonrosefulbright.com)

and

Ben Storch (Ben.Storch@nortonrosefulbright.com)

and

John McDonald of the New York State Environmental Facilities
Corporation at John.McDonald@efc.ny.gov

**MAIL SIGNED ORIGINAL TAX QUESTIONNAIRE AND
ATTACHED DOCUMENTS TO:**

Norton Rose Fulbright US LLP
799 Ninth Street, NW
Washington, DC 20001
Attention: Ben Storch

CITY OF CORTLAND POLICE
BICYCLE SALE PROPOSAL

Proposal for the Cortland City Police to conduct the Fourth Annual Bicycle Sale on Saturday August 6, 2016 from 8:00 AM until 11:00 AM, as of means of reducing the number of recovered bicycles currently in possession of the agency, while putting the bicycles to good use within the community. All bicycles will be sold in "AS IS" condition for \$25.00 each (exception for those which need large amount of work), with each buyer signing a waiver acknowledging the conditions of the sale. All proceeds will be donated to the Cortland Water Works Deer Fund.
(DC Paul A. Sandy)

As a reminder, Prior sales:

September 2013	31 bicycles	\$775.00
June 28, 2014	29 bicycles	\$660.00
July 18, 2015	36 bicycles	\$850.00

all proceeds being donated to the Cortland Water Works Deer Fund.

The waiver is the same one approved by the Law Department in 2013.