The City of Poughkeepsie
New York

INDUSTRIAL DEVELOPMENT
AGENCY
February 1, 2013
9:00 a.m.
MINUTES

Attending: Mayor John Tkazyik, Yvonne Flowers, Paul Herman, Lee Klein

Staff: Paul Ackermann, Corporation Counsel, Acting City Administrator
Deanne L. Flynn, City Chamberlain

The public hearing was called to order by Mayor John Tkazyik at 9:10 a.m. in the Common Council Chambers.

There were no members of the public present to speak at the public hearing.

The public hearing was closed by Mayor John Tkazyik at 9:20 a.m.

The IDA meeting was called to order by Mayor John Tkazyik at 9:20 a.m. in the Common Council Chambers. All members were present.

Mayor John Tkazyik made a motion to elect Lee David Klein as Secretary of the IDA, Yvonne Flowers seconded the motion. 4-0

A motion was made by Yvonne Flowers and seconded by Paul Herman to receive and print.

Paul Ackermann gave background information about Resolution R13-1, A PILOT Extension for the Manor at Woodside. Additionally, Paul Ackermann entered the request for the extension, the affidavit of service, affidavit of publication, notification to the taxing authorities and the request from the property owner to enter into the record.
Official Minutes of the Industrial Development Agency of February 1, 2013

A special meeting of City of Poughkeepsie Industrial Development Agency (the “Agency”) was convened in public session at 62 Civic Center Plaza, 3rd Floor in the City of Poughkeepsie, Dutchess County, New York, on February 1, 2013 at 9:00 o’clock a.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT: Mayor John Tkazyik, Yvonne Flowers, Paul Herman, Lee Klein

ABSENT: 

THE FOLLOWING PERSONS WERE ALSO PRESENT: Corporation Counsel Paul Ackermann and City Chamberlain Deanne Flynn

The following resolution was offered by Yvonne Flowers, seconded by Paul Herman, to wit:

Resolution No. 1 of 2013

RESOLUTION APPROVING THE SECOND AMENDMENT TO PILOT AGREEMENT BETWEEN THE AGENCY AND WOODSIDE ASSOCIATES, LLC RELATING TO THE MANOR AT WOODSIDE PROJECT AND THE EXECUTION OF SUCH AMENDMENT AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, City of Poughkeepsie Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 304 of the Laws of 1974 of New York, as amended, constituting Section 917 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and
WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, to provide financial assistance (as defined in the Act) including exemption from most real property taxes, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, pursuant to resolutions duly adopted by the members of the Agency on March 29, 1999, August 5, 1999 and December 20, 1999 (the “1999 Approving Resolution”), the Agency undertook a project (the “Project) on behalf of Woodside Associates, LLP (the “Company”) consisting of the following consisting of the acquisition, construction and equipping of The Manor at Woodside senior residential facility located at 168 Academy Street, in the City of Poughkeepsie, the financing of the Project through the issuance of the Agency’s bonds, the provision of financial assistance to the Project and the conveyance of the Project to the Company; and

WHEREAS, in order to consummate the Project and the granting of the financial assistance, and the refinancing of the Project in 2001, the Agency adopted various additional resolutions and entered into various documents as set forth in the Records of Proceedings relating to the issuance of the Agency’s bonds on December 30, 1999 and April 4, 2001; and

WHEREAS, in order to grant to the Company financial assistance in the form of a real property tax exemption, the Agency and the Company entered into a payment in lieu of tax agreement dated as of December 1, 1999 (the “Original PILOT Agreement”); and

WHEREAS, the Agency and the Company entered into a first amendment to payment in lieu of tax agreement dated as of March 1, 2001 (together with the Original PILOT Agreement, the “Existing PILOT Agreement”); and

WHEREAS, the Agency has received a request from the Company for additional financial assistance in connection with the Project in the form of an extension the period of real property tax exemption for the Project, which is to be reflected in an amendment Existing PILOT Agreement (the “Amendment”) in substantially the form set forth in Exhibit A attached hereto and made a part hereof; and

WHEREAS, the terms of the Amendment, like the terms of the Existing PILOT Agreement, deviate from the Agency’s Uniform Tax Exemption Policy adopted August 5, 1999 (the “UTEP”); and

WHEREAS, the Agency has caused a letter dated January 14, 2013 (the “Notice Letter”) to be mailed to each affected tax jurisdiction, informing said jurisdictions of (a) the public hearing required by Section 859-a of the New York State General Municipal Law with respect to the proposed additional financing assistance and (b) that the Agency would, at this meeting, consider a proposed deviation from the Agency’s UTEP with respect to the Amendment; and
WHEREAS, prior to the date hereof, the Agency reviewed all communications and correspondence, if any, received from the affected tax jurisdictions regarding the proposed deviation from the UTEP; and

WHEREAS, the Agency allowed representatives from the affected tax jurisdictions present at the public hearing to address the Agency regarding such proposed deviation; and

WHEREAS, the Agency desires to grant to the Company financial assistance in the form of a real property tax exemption upon the terms set forth in the Amendment; and

WHEREAS, in accordance with the requirements of Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York being 6 NYCRR Part 617, as amended (the “Regulations collectively with the SEQR Act, “SEQRA”), the Agency has considered whether any action taken by it in response to the Company’s request additional financial assistance requires review by the Agency under SEQRA; and

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

Section 1. The Agency has determined for purposes of SEQRA that any action taken by the Agency related to its consideration of the request of the Company for additional financial assistance for the Project in the form of an extension of the period of real property tax exemption is a Type II action and no other action under SEQRA is required.

Section 2. The Agency, based upon the information presented, and representations made, by the Company to the Agency, the personal knowledge of the Members of the Agency relating to the Project, the history of the Agency with the Project, and the role of the Project as a residential facility for seniors in the City, hereby finds and determines that it is desirable and in the public interest of the Agency to deviate from its uniform tax exemption policy and to approve the execution and delivery of the Amendment for the following reasons:

(a) The Project is an important source of needed residential units for seniors within the City of Poughkeepsie, and

(b) The modification of the payment in lieu of taxes schedule will provide the affected tax jurisdictions with additional revenue during the term of the Existing PILOT Agreement; and

(c) The extension of the term of the period of real property tax exemption and the modification of the payment in lieu of taxes schedule will provide the Company with an extended period of predictability with respect to real estate taxes, which
will (i) help the Company continue to achieve sustaining economics so that it can continue to maintain the quality of the Project itself, and the services available at the Project, despite unanticipated changes in law related to operation of the Project and competition from senior housing facilities outside of the City of Poughkeepsie, and (ii) assist the Company in securing long-term fixed rate financing to eliminate the interest rate risk the Project is now exposed to under its current variable rate financing.

Section 3. The Agency is hereby authorized to grant to the Company additional financial assistance in the form an extension of the term of the real property tax exemption under the Existing PILOT Agreement upon the terms set forth in the Amendment.

Section 4. The form and substance of the Amendment (in substantially the form presented to this meeting and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 5. The Chairman or Vice Chairman of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Amendment, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting with such changes, variation, omissions and insertions as the Chairman or Vice Chairman executing same shall approve, the execution thereof by the Chairman or the Vice Chairman to constitute conclusive evidence of such approval.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Existing PILOT Agreement, as amended by the Amendment, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Existing PILOT Agreement as amended by the Amendment binding upon the Agency.

Section 7. This Resolution shall take effect immediately.

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

The members voted as follows:

<table>
<thead>
<tr>
<th>VOTING</th>
<th>Name</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>VOTING</td>
<td>John Tkazyik</td>
<td>Aye</td>
</tr>
<tr>
<td>VOTING</td>
<td>Paul Herman</td>
<td>Aye</td>
</tr>
<tr>
<td>VOTING</td>
<td>Lee David Klein</td>
<td>Aye</td>
</tr>
</tbody>
</table>
Official Minutes of the Industrial Development Agency of February 1, 2013

VOTING Yvonne Flowers Aye

City Chamberlain Flynn took a roll call vote on R13-1, approved 4-0.
EXHIBIT A

FORM OF AMENDMENT
I, the undersigned Secretary of the City of Poughkeepsie Industrial Development Agency (the “Agency”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on February ___, 2013 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of such proceeding so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ____ day of __________, 2013.

________________________________________________________________________

Secretary

(SEAL)
SECOND AMENDMENT TO PILOT AGREEMENT

THIS AGREEMENT, made as of the 1st day of January, 2013, is by and between the CITY OF POUGHKEEPSIE INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, having its offices at 62 Civic Center Plaza, Poughkeepsie, New York 12602 (the "Agency"), and WOODSIDE ASSOCIATES, LLP., a limited liability company duly organized and existing under the laws of the State of New York, having its offices at 60 Morrow Avenue, Scarsdale, New York, New York 10583 (the "Company").

WITNESSETH:

WHEREAS, the Agency and the Company in 1999 entered into that certain Payment In Lieu of Taxes Agreement dated as of December 1, 1999 (the "Original PILOT"), and the Agency and the Company in 2001 entered into a certain First Amendment To PILOT Agreement dated as of March 1, 2001 (the "First Amendment") amending the Original PILOT (the Original PILOT, as amended by the First Amendment, the "PILOT Agreement"); and

WHEREAS, the Company has requested that the Agency amend the PILOT Agreement to extend its term and modify the required payments, as provided herein;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the covenants herein contained, it is mutually agreed as follows (capitalized terms not otherwise defined herein having the meanings set forth in the Installment Sale Agreement):

1. Section I, clause (a), of the PILOT Agreement is hereby amended to read as follows:

   (a) Agreement to Make Payments. As long as the Facility is owned by the Agency and subject to the Installment Sale Agreement to the Company, the Company agrees to make payments annually to the Agency, on behalf of the respective Taxing Jurisdictions, as a payment in lieu of the real property taxes payable with respect to the Facility. Such payments in lieu of taxes shall be paid in annual amounts over a twenty-five (25) year term in the amounts set forth at Exhibit "A". The payment in lieu of tax amount shall be payable in advance on the annual due date for the payment of City/County taxes commencing January 1, 2002.

   Each year the annual payment in lieu of tax amount set forth above shall be allocated among the Taxing Jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected Taxing Jurisdiction had the Facility not been tax exempt due to the status of the Agency, with the first PILOT payment being pro-rated based on the tax rate for the School Taxes which would become a lien as of July 1, 2001 and the tax rate for City/County Taxes which would become a lien as of January 1, 2002.

   In accordance with Section 874(3) of the Act, payments in lieu of taxes received by the Agency shall be remitted to each of the Taxing Jurisdictions within thirty days of receipt.

2. Section I, clause (c), of the PILOT Agreement is hereby amended to read as
follows:

(e) In the final year of the term of this Agreement, the Facility shall be assessed by the appropriate local taxing jurisdiction responsible for establishing real property tax assessments, as of the taxable status date of the final year of the term of this Agreement currently March 1, 2026. The purpose of such tax assessment is for the restoration of the Facility to the regular tax roll commencing January 1, 2027 as to City/County taxes and July 1, 2026 as to School Taxes. The assessment established by the appropriate local taxing jurisdiction in the final year of the term of this Agreement shall be subject to the Company rights pursuant to Section 5 of this Agreement.

3. Schedule A of the Pilot Agreement is hereby amended to read as set forth in Schedule A attached hereto.

4. Except as set forth herein, all other provisions of the PILOT Agreement shall remain in full force and effect.
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

CITY OF POUGHKEEPSIE
INDUSTRIAL DEVELOPMENT AGENCY

By: ______________________________

Its:

WOODSIDE ASSOCIATES, LLC

By: _____________________________

Its:

Execution page for Second Amendment to PILOT Agreement relating to
City of Poughkeepsie Industrial Development Agency
Woodside Associates, LLC Project
In each of the 13th through the 20th years of this agreement, the amount of the PILOT payment due shall be computed as the amount payable in the immediately preceding year, plus a percentage increase not to exceed 5% in any given year, and in each of the 21st through the 25th years of this agreement, the amount of the PILOT payment due shall be computed as the amount payable in the immediately preceding year, plus a percentage increase not to exceed 7% in any given year. The percentage increase shall be equal in each year to the annual tax increase applicable to the actual tax payment which would be due for such year if the Facility were not owned by the Agency, provided that if such increase is greater than five percent or seven percent, as applicable, in any year, the increase payable in that year shall be five percent or seven percent, as applicable, and the difference between five percent or seven percent, as applicable, and the actual percentage increase shall be carried forward and shall be payable in the first succeeding year or years that the percentage increase is less than five percent or seven percent, as applicable.

Assume, for example, that the percentage increase for actual taxes from year 12 to year 13 is 6% and the percentage increase for the actual taxes from year 13 to year 14 is 3%. The amount payable in year 13 would be $105,000 ($100,000 x 105%) and the 1% difference between the 5% increase and the 6% increase would be carried forward to year 14 when the payment would be $109,200 ($105,000 x 104%).
AFFIDAVIT OF SERVICE BY MAIL

STATE OF NEW YORK

) ss:

COUNTY OF DUTCHESS

ERIAN BUCKLEY being duly sworn says: I am not a party to the action, am over 18 years of age and reside at Poughkeepsie, New York.

On January 23, 2013, I served a copy of the annexed NOTICE FROM POUGHKEEPSIE IDA PROPOSED ADDITIONAL FINANCIAL ASSISTANCE AND DEVIATION FROM UNIFORM TAX EXEMPTION POLICY by mailing the same in a sealed envelope, with postage prepaid thereon, in a post-office or official depository of the U.S. Postal Service within the State of New York, addressed to the last known address(es) of the addressee(s) as indicated below:

Ralph S. Coates, President
Board of Education
Poughkeepsie City School District
Jane Bolin Administration Building
11 College Avenue
Poughkeepsie, NY 12603

Marcus J. Molinaro, County Executive
County Office Building
22 Market Street
Poughkeepsie, NY 12601

Carolyn Morris, Clerk
Dutchess County Legislature
County Office Building
22 Market Street
Poughkeepsie, NY 12601

Dr. Laval S. Wilson, Superintendent
Poughkeepsie City School District
Jane Bolin Administration Building
11 College Avenue
Poughkeepsie, NY 12603

Sworn to before me this 23rd day of January, 2013

Christine Knapp
Notary Public

CHRISTINE KNAPP
NOTARY PUBLIC, State of New York
Reg. No. 4984700
Qualified in Dutchess County
Commission Expires July 29, 2017
January 18, 2013

Marcus J. Molinaro, County Executive
County Office Building
22 Market Street
Poughkeepsie, New York 12601

Dr. Laval S. Wilson, Superintendent
Poughkeepsie City School District
11 College Avenue
Poughkeepsie, New York 12603

Carolyn Morris, Clerk
Dutchess County Legislature
County Office Building
22 Market Street
Poughkeepsie, New York 12601

Ralph S. Coates, President
Board of Education
Poughkeepsie City School District
Jane Bolin Administration Building
11 College Avenue
Poughkeepsie, New York 12603

John C. Tkazyik, Mayor
City of Poughkeepsie
City Hall
62 Civic Center Plaza
Poughkeepsie, New York 12601

Re: The Manor at Woodside Project (the “Project”) -- Proposed Additional Financial Assistance and Deviation from Uniform Tax Exemption Policy

Ladies and Gentlemen:

This letter is delivered to you pursuant to Sections 859-a(3) and 874(4)(b) of the New York State General Municipal Law.

(1) Pursuant to Section 859-a(3) of the New York State General Municipal Law:

Notice is hereby given that a public hearing, pursuant to Section 859-a(2) of the New York State General Municipal Law, will be held by the City of Poughkeepsie Industrial Development Agency (the “Agency), on the 1st day of February, 2013 at 9 a.m. local time, at 62 Civic Center Plaza, 3rd Floor Common Council Chambers, in the City of Poughkeepsie, Dutchess County, New York, in connection with the following matter:

Woodside Associates, LLC (the “Company”) has requested that the Agency provide additional financial assistance within the meaning of Section 854(14) of the New York State General Municipal Law for The Manor at Woodside residential facility, located at 168 Academy Street, Poughkeepsie, NY 1260 (the “Project”), in the form of an
amendment to the existing Payment in Lieu of Taxes Agreement between the Agency and the Company dated as of December 1, 1999, as amended by the First Amendment to PILOT Agreement dated as of March 1, 2001 (collectively, the “Existing PILOT Agreement”). The Agency determined in 1999 to undertake the acquisition, construction and equipping of the Project and to provide financial assistance to the Project, and public hearings were held in 1999 and 2001 in connection with the Agency’s agreement to undertake the Project and to provide financial assistance, including financial assistance under the Existing PILOT Agreement.

The Agency is considering whether to provide to the Project the additional requested financial assistance, which consists of a ten-year extension of the period that the Project is exempt from most real estate property taxes (other than special assessments and special ad valorem levies). Under the Existing PILOT Agreement, the period of tax exemption ends after 2016. The extension of the period of exemption would be coupled with an immediate increase in the level of annual payments in lieu of taxes the Company is obligated to make with respect to the Project under the Existing PILOT Agreement, which increase would continue through the extended period of tax exemption. The increase in 2013 would be from $88,200 to $100,000.

A copy of the request letter from the Company to the Agency with respect to the additional financial assistance is available for public inspection during business hours at the offices of the Agency located at 62 Civic Center Plaza, Clerk’s Office, Poughkeepsie, New York 12601.

The Agency will at time and place described above hear all persons with views on the proposed additional financial assistance for the Project.

(2) Pursuant to Section 874(4)(b) of the New York State General Municipal Law:

The Agency will consider whether to approve the terms of a proposed amendment (the “Amendment”) to the Existing PILOT Agreement (as defined in (1) above), at its meeting at 62 Civic Center Plaza, 3rd Floor Common Council Chambers, in the City of Poughkeepsie, Dutchess County, New York, scheduled for February 1st, 2013 at 9:15 o’clock, a.m. (the “Meeting”).

The Amendment, if approved, will extend the period of exemption for most real property taxes (other than special assessments and special ad valorem levies) for the Project (as defined in (1) above) for ten years. The period of exemption currently runs through 2016. The Amendment would also increase the amount of payments in lieu of taxes due under the Existing PILOT Agreement for 2013 from $88,200 to $100,000, with all future annual adjustments in the payments in lieu of taxes to be made off of the 2013 $100,000 amount. During the first 5 years of the requested extension, payments in lieu of taxes would continue to be adjusted annually as currently provided in the Existing PILOT Agreement with annual increases of up to 5% year to year, and payments in lieu of taxes over the last 5 years of the extension would be adjusted as provided in the Existing Agreement, but with annual increases of up to 7% year to year permitted. A projection of the payments in lieu of taxes under the Amendment is set forth in Schedule A.

The Existing PILOT Agreement, when adopted, constituted a deviation from the Agency’s Uniform Tax Exemption Policy, adopted August 5, 1999 (the “UTEP”). The terms of the Amendment also deviate from the UTEP.
In both instances deviations relate to the years of exemption (greater than the 10 years contemplated by the UTEP), and the effective amount of the exemption after factoring in payments in lieu of taxes. The reasons for the deviation from the UTEP in the Existing PILOT Agreement were determined by the Agency in 1999 to be that "[t]he Project will provide needed assistive living residential units with the City" and "[t]he proposed payment in lieu of taxes schedule will provide the Company with predictability with respect to real property taxes and will assist the Company in securing purchasers of the [Agency’s] proposed revenue bonds for the project".

The reasons to be considered by the Agency for approving the deviation from the UTEP under the Amendment include the following:

(a) The Project is an important source of needed residential units for seniors within the City of Poughkeepsie;

(b) The modification of the payment in lieu of taxes schedule will provide the affected tax jurisdictions with additional revenue during the term of the Existing PILOT Agreement; and

(c) The extension of the term of the period of real property tax exemption and the modification of the payment in lieu of taxes schedule will provide the Company with an extended period of predictability with respect to real estate taxes, which will (i) help the Company continue to achieve sustaining economics so that it can continue to maintain the quality of the Project itself, and the services available at the Project, despite unanticipated changes in law related to operation of the Project and competition from senior housing facilities outside of the City of Poughkeepsie, and (ii) assist the Company in securing long-term fixed rate financing to eliminate the interest rate risk the Project is now exposed to under its current variable rate financing.

The Agency will consider the proposed Amendment and the proposed deviation from the Agency’s UTEP at the Meeting. The Agency would welcome any written comments that you might have on the proposed Amendment and the proposed deviation from the Agency’s UTEP. Prior to taking final action at the Meeting, the Agency will review any written comments received from any affected tax jurisdiction.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

Sincerely yours,

[Signature]

John Tkazyik, Chairman
FORMULA FOR PAYMENTS IN LIEU OF TAXES UNDER AMENDMENT

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<th>Year</th>
<th>Payment in Lieu of Taxes Amount</th>
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<tr>
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<td>Year 13 (2014)</td>
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<tr>
<td>Year 14 (2015)</td>
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<tr>
<td>Year 15 (2016)</td>
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<tr>
<td>Year 17 (2018)</td>
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<tr>
<td>Year 18 (2019)</td>
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<tr>
<td>Year 19 (2020)</td>
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<tr>
<td>Year 20 (2021)</td>
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<tr>
<td>Year 21 (2022)</td>
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<td>Year 22 (2023)</td>
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<tr>
<td>Year 23 (2024)</td>
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<tr>
<td>Year 24 (2025)</td>
<td>No more than 7% over prior year</td>
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<tr>
<td>Year 25 (2026)</td>
<td>No more than 7% over prior year</td>
</tr>
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</table>

In each of the 13th though the 20th years of the Existing PILOT Agreement, as proposed to be amended, the amount of the PILOT payment due shall be computed as the amount payable in the immediately preceding year, plus a percentage increase not to exceed 5% in any given year, and in each of the 21st though the 25th years, the amount of the PILOT payment due shall be computed as the amount payable in the immediately preceding year, plus a percentage increase not to exceed 7% in any given year. The percentage increase shall be equal in each year to the annual tax increase applicable to the actual tax payment which would be due for such year if the Facility were not owned by the Agency, provided that if such increase is greater than five percent or seven percent, as applicable, in any year, the increase payable in that year shall be five percent or seven percent, as applicable, and the difference between five percent or seven percent, as applicable, and the actual percentage increase shall be carried forward and shall be payable in the first succeeding year or years that the percentage increase is less than five percent or seven percent, as applicable.

Assume, for example, that the percentage increase for actual taxes from year 12 to year 13 is 6% and the percentage increase for the actual taxes from year 13 to year 14 is 3%. The amount payable in year 13 would be $105,000 ($100,000 x 105%) and the 1% difference between the 5% increase and the 6% increase would be carried forward to year 14 when the payment would be $109,200 ($105,000 x 104%).
### SCHEDULE A

<table>
<thead>
<tr>
<th>Year</th>
<th>Projected Payments in Lieu of Taxes*</th>
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<td>207,220.77</td>
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</table>

* Assumes growth in payments in lieu of taxes at the maximum rates (5% per year through 2021 and 7% per year thereafter) allowed in the Amendment. Actual payments may be lower depending on the actual growth of real property taxes.

The formula for payments in lieu of taxes under the Amendment from 2013 forward is set forth on the next page.
Official Minutes of the Industrial Development Agency of February 1, 2013

Poughkeepsie Journal
Poughkeepsie, N.Y.

AFFIDAVIT OF PUBLICATION

State of New York
County of Dutchess
City of Poughkeepsie

Rita Lombardi,____ of the City of Poughkeepsie,
Dutchess County, New York, being duly sworn, says
that at the several times hereinafter mentioned he/she
was and is the Principle Clerk of the Poughkeepsie
Newspapers Division of Gannett Satellite Information
Network, Inc., publisher of the Poughkeepsie Journal, a
newspaper published every day in the year 2013 in the
city of Poughkeepsie, Dutchess County, New York, and
that the annexed Notice was duly published in the said
newspaper for one insertion
successively, in each week, commencing on the 22nd.
day of Jan.______ in the year of 2013 and
on the following dates thereafter, namely on:

And ending on the ______ day of ______ in the year of 2013, both days inclusive.

Subscribed and sworn to before me this 22 day of January in the year of 2013.

Rita Lombardi

Notary Public

My commission expires 1/1/2014

ROSE ANN SIMPSON
Notary Public, State of New York
No. 0156216083
Qualified in Dutchess County
Commission Expires January 4, 2014
January 14, 2013

Paul Ackerman, Esq.
Counsel
City of Poughkeepsie Industrial Development Agency
62 Civic Center Plaza
Poughkeepsie, New York 16201

Re: The Manor at Woodside - Request of PILOT Agreement Extension

Dear Mr. Ackerman:

As special counsel to Woodside Associates, LLC, we have prepared for your consideration and the consideration of the City of Poughkeepsie Industrial Development Agency (the “Agency”) the following documents related to the request of Woodside Associates, LLC for an extension of the term of existing Payments in Lieu of Taxes Agreement relating to The Manor at Woodside project (the “Project”), which was entered into in 1999 and amended in 2001:

1. Proposed form of “Second Amendment to PILOT Agreement”;

2. Proposed form of “Notice of Public Hearing” with respect to the public hearing required by Section 859-a of the General Municipal Law in connection with the grant of financial assistance by an industrial development agency;

3. Proposed form of letter for the Agency to send to the City of Poughkeepsie, the Poughkeepsie City School District and Dutchess County, as affected tax jurisdictions, providing notice to the tax jurisdictions of the proposed grant of additional financial assistance and the proposed deviation from the Agency’s uniform tax exemption policy adopted August 5, 1999; and

4. Proposed form of Agency resolution (a) finding that the proposed grant of additional financial assistance and approval and execution of the Second Amendment to PILOT Agreement is a Type II action for SEQRA purposes, (b) approving the deviation from Agency’s uniform tax exemption policy for the Second Amendment to PILOT Agreement, and (c) approving the Second Amendment to PILOT Agreement and Authorizing its execution.
City Chamberlain Flynn took a roll call vote on R13-1, approved 4-0.

Old Business: None

New Business: None

Yvonne Flowers made a motion to adjourn the meeting, Paul Herman seconded the motion.

Meeting adjourned: 9:27 a.m.

Minutes respectfully submitted,

Deanne L. Flynn
City Chamberlain