

Date: February 8, 2023

At a meeting of the City of Poughkeepsie Industrial Development Agency (the "Agency") held on Wednesday, February 8, 2023, at 6:30 p.m. at Common Council Chambers, Poughkeepsie City Hall, 62 Civic Center Plaza, 3<sup>rd</sup> Floor, Poughkeepsie, New

Present: Matthew Diggins, Vincent Pedi, Randy Johnson, and Rose Graziano-Moffett

Absent:

After the meeting had been duly called to order, the Chair announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the 27 High Street Lofts project located at 27 High Street, in the City of Poughkeepsie, New York.

The following resolution was duly moved by Randy Johnson, seconded by Vincent Pedi, discussed and adopted with the following members voting:

Voting Aye

Matthew Diggins  
Vincent Pedi  
Randy Johnson  
Rose Graziano-Moffett

Voting Nay

**RESOLUTION OF THE CITY OF POUGHKEEPSIE INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") REGARDING THE 27 HIGH STREET LOFTS PROJECT: (I) ACCEPTING THE APPLICATION OF 27 HIGH STREET LOFTS, LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DESCRIBED HEREIN); (II) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; AND (III) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY**

WHEREAS, the New York State Industrial Development Agency Act and the City of Poughkeepsie Industrial Development Agency's enabling legislation, respectively constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended and Chapter 304 of the Laws of 1974 of New York (collectively the "Act"), authorize the City of Poughkeepsie Industrial Development Agency (the "Agency"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York (the "State") and to improve their prosperity and standard of living; and

WHEREAS, 27 High Street Lofts, LLC (the "Applicant") has submitted an Application for Financial Assistance (the "Application") dated May 7, 2022 to the Agency for financial assistance with respect to the construction of a multi-family facility on two parcels of land located at 27 High Street, in the City of Poughkeepsie (the "City"), of approximately 1.23 aggregate acres (the "Premises"), consisting of the conversion of existing office building and site (the "Existing Improvements") to a multi-family residential building and site and the construction of a second building and site next to the existing building and adjacent to Zimmer Avenue, along with parking underneath (collectively, the "Improvements"); such buildings to support four live/work units, 21 one-bedroom units and 42 one-bedroom units with den/office work areas for a total of 67 housing units, all as more fully detailed in the Application on file with the Agency; and the acquisition and installation by the Applicant in and around the Premises, the Existing Improvements and the Improvements of items of equipment, machinery and other tangible personal property (the "Equipment"; and, together with the Premises, the Existing Improvements and the Improvements, the "Project"); and

WHEREAS, the Application sets forth certain information with respect to the Applicant, including the following: (i) that the Applicant desires Agency financial assistance for the Project, at a project cost of approximately \$18,425,431; (ii) that the Applicant anticipates that approximately 5 full-time equivalent jobs will be created upon completion and stabilization of operations, (iii) that the Project will provide an extensive renovation that will modernize the property, and (iv) that Agency financial assistance is essential to the feasibility of the Project; and

WHEREAS, in order to facilitate the financing of the Project, the Applicant desires Agency financial assistance ("Financial Assistance") in connection with the Project in the form of (i) sales tax exemptions with respect to the cost of using or acquiring materials and equipment in the approximate amount of \$617,500 with respect to the \$7,600,000 cost of

construction materials for the Project, (ii) exemptions from mortgage recording tax with respect to an approximately \$14,500,000 mortgage securing the financing for the Project (to the extent permitted by applicable law) and (iii) payment in lieu of tax benefits in amounts to consistent with the Agency's Uniform Tax Exemption Policy; and

WHEREAS, the Agency intends to induce the Applicant to proceed with the Project pending completion of arrangements by the Applicant and the Agency;

NOW, THEREFORE, the City of Poughkeepsie Industrial Development Agency (the "Agency") hereby resolves as follows:

Section 1. Qualification of the Project. The Agency hereby determines that the Project

(i) will advance the health, general prosperity, and economic welfare of the people of the City, promote employment opportunities, prevent economic deterioration and improve their prosperity and standard of living, that the Project is a commercial project within the meaning of the Act, and that in providing financial assistance for the Project the Agency will be carrying out the purposes for which it was created.

(ii) the Project and the provision by the Agency of financial assistance to the Applicant pursuant to the Act in the form of a Straight-Lease Transaction will promote and is authorized by and will be in furtherance of the policy of the State of New York as set forth in the Act;

(iii) the Project shall not result in the removal of any facility or plant of the Applicant or any other occupant or user of the Project from outside of the City (but within the State of New York) to within the City, or in the abandonment of one or more facilities or plants of the Applicant or any other occupant or user of the Project located within the State of New York (but outside of the City);

(iv) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York; and

(v) not more than one-third of the total Project cost is in respect of facilities or property primarily used in making retail sales of goods or services to customers who personally visit such facilities within the meaning of Section 862 of the New York General Municipal Law.

Section 2. Public Hearing. The Agency hereby determines that a public hearing will be held (following publication of notice) in accordance with applicable law to allow the public to comment on the proposed project, including the financial assistance requested by the Applicant. The notice of public hearing shall identify the proposed Financial Assistance substantially as set forth in the Recitals hereto.

Section 3. SEORA. Pursuant to the State Environmental Quality Review Act (“SEQRA”), the Agency shall review environmental information provided to the Agency by the Applicant, and shall take final action under SEQRA prior to the taking of any final action with respect to the Project. No final action shall be taken by the Agency with respect to the Project until all SEQRA requirements have been satisfied. The Agency may rely on review and analysis prepared by other agencies as lead agency with respect to the Project.

Section 4. Authorization to Proceed. The Applicant is authorized to undertake and proceed with the Project. Any action heretofore taken by the Applicant in initiating the Project is hereby ratified, confirmed and approved.

Section 5. Assistance of Applicant. The members, representatives, and agents of the Agency are hereby authorized and directed to take all actions deemed appropriate to assist the Applicant in commencing and carrying out the Project and, subject to final Agency approval, to provide Financial Assistance as a “straight lease transaction” within the meaning of the Act and substantially as set forth in the Recitals hereto.

Section 6. No Recourse or Personal Liability. No provision of this resolution or any other related document shall constitute or give rise to a charge upon the general credit of the Agency or impose upon the Agency a pecuniary liability except as may be payable from the limited sources set forth above. No recourse shall be had for the performance of any obligation in connection therewith against any member, representative or agent of the Agency, nor is or shall any such person become personally liable for any such performance.

Section 7. Fees and Expenses of Agency. Any expenses incurred by the Agency with respect to the Project (including the fees of its project counsel) shall be paid by the Applicant. By acceptance hereof, the Applicant agrees to pay such expenses and further agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Project.

Section 8. No Representations or Warranties. The Agency has made and makes no representation or warranty whatsoever, either express or implied, with respect to the merchantability, condition, environmental status, fitness, design, operation or workmanship of any part of the Project, its fitness for any particular purpose, the quality or capacity of the materials in the Project, or the suitability of the Project for the Applicant’s purposes or needs. The Agency shall not be liable in any manner whatsoever to anyone for any loss, damage or expense of any kind or nature caused, directly or indirectly, by the Project property or the use or maintenance thereof or the failure of operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused, and the Applicant, by acceptance hereof, agrees to indemnify and hold the Agency harmless from any such loss, damage or expense.

Section 9. Compliance With Laws. Any undertaking of the Agency set forth herein is expressly conditioned upon full compliance of the Applicant and the Project with all

applicable laws, rules and regulations, and the Applicant shall be required to provide satisfactory evidence of the same to the Agency prior to the execution of any lease agreement.

Section 10. Conditions. The undertakings of the Agency set forth herein are subject to and conditioned upon (a) full compliance with the SEQRA, (b) publication of notice and holding of a public hearing with respect to the Project and the proposed Financial Assistance as required by the Act, (c) execution by the Applicant of a Payment in Lieu of Taxes Agreement and provision of satisfactory security for payments due thereunder, (d) execution by the Applicant of a Sales Tax Exemption Agreement, (e) submission of an environmental report satisfactory to the Agency, (f) provision of full environmental indemnities by an entity and in form and substance acceptable to the Agency, (g) completion of documents effecting the straight lease transaction satisfactory to the Agency.

Section 11. Agency Transaction Counsel. The law firm of Hawkins Delafield & Wood LLP shall act as Transaction Counsel for the Agency with respect to the Project.

Section 12. Effect of Resolution. In adopting this resolution, notwithstanding any other provision hereof, the Agency assumes no responsibility for obtaining or assisting the Applicant in obtaining financing for the Project. This resolution is not a contract between the Agency and the Applicant and it shall not be construed as such.

Section 13. Expiration Date. This resolution may be deemed by the Agency to have expired at any time after twelve (12) months from the date hereof, unless (a) extended by the Applicant with the consent of the Agency and by payment by the Applicant of the applicable Agency extension fee, or (b) the straight lease transaction has been closed. Any extension or renewal will be for an additional twelve month period.

Section 14. Effective Date. The resolution shall take effect immediately upon its passage.

February 8, 2023  
MEETING DATE


AYES:  
NAYS:  
ABSTENTIONS:

TOTAL MEMBERS:  
MEMBERS PRESENT:

By accepting this Resolution, 27 High Street Lofts, LLC agrees to the terms and conditions set forth herein.

Accepted: 2/10/23  
Date

27 HIGH STREET LOFTS, LLC

By: 

Name: Jason Page

Title: managing member

STATE OF NEW YORK                    )  
  ) ss:  
COUNTY OF DUTCHESS                )

I, the undersigned, Secretary of the City of Poughkeepsie Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the City of Poughkeepsie Industrial Development Agency (the "Agency"), including the resolution contained therein, held on February 8, 2023, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

I FURTHER CERTIFY, that 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 resolutions are in full force and effect and have not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 8th day of February, 2023.

By:  \_\_\_\_\_