

Date: October 9, 2019

At a meeting of the City of Poughkeepsie Industrial Development Agency (the "Agency") held on Wednesday, October 9, 2019, at 6:30 p.m. at Common Council Chambers, Poughkeepsie City Hall, 62 Civic Center Plaza, 3rd Floor, Poughkeepsie, New York 12601, the following members of the Agency were:

Present: Ms. Vetter, Mr. Smith, Mr. Johnson

Absent: None

Recused:

Also Present:

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 Eastman & Bixby Redevelopment Company LLC, project located at 22 Montgomery Street and 21 Charles Street, City of Poughkeepsie, New York.

The following resolution was duly moved by Mr. Smith, seconded by Mr. Johnson, discussed and adopted with the following members voting:

Voting Aye

All

Voting Nay

None

RESOLUTION OF THE CITY OF POUGHKEEPSIE INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") REGARDING THE EASTMAN & BIXBY REDEVELOPMENT COMPANY LLC, PROJECT AUTHORIZING THE CONDUCT OF A PUBLIC HEARING WITH RESPECT TO THE PROJECT FOR THE PURPOSES OF CONSIDERING AN AMENDMENT TO THE EXISTING PAYMENT-IN-LIEU OF TAX AGREEMENT

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 304 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, the "Act"), the **CITY OF POUGHKEEPSIE INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency"), was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Act authorizes the Agency (1) to promote the economic welfare, recreational opportunities and prosperity of the inhabitants of the City of Poughkeepsie, and (2) to promote, attract, encourage and develop recreation and economically sound commerce and industry through governmental action for the purpose of preventing unemployment and economic deterioration; and

WHEREAS, the Agency and **EASTMAN & BIXBY REDEVELOPMENT COMPANY LLC** (the "Company") entered into that certain Payment In Lieu of Taxes Agreement, dated as of August 18, 2000, together with certain other documents, agreements and instruments in connection with the acquisition, reconstruction, renovation, installation and equipping of the "Project Facility", as such term is defined in the PILOT Agreement; and

WHEREAS, pursuant to the PILOT Agreement, the Company agreed, among other things, to make certain payments annually to the Agency, on behalf of the respective Taxing Jurisdictions (as such term is defined in the PILOT Agreement), in the amounts as calculated pursuant thereto (each a "PILOT Payment" and collectively, the "PILOT Payments"); and

WHEREAS, in 2016 the City of Poughkeepsie (the "City") notified the Company that the method utilized to calculate the PILOT Payments up to that point in time was not in accordance with the provisions of the PILOT Agreement and the City accordingly revised its billings of the PILOT Payments in conformance with the provisions of the PILOT Agreement; and

WHEREAS, the Company advised the City that it was unable to pay either the arrearages for the PILOT Payments determined to be due for the period of time prior to 2016 by reason of the City's recalculation of the PILOT Payments or to pay the PILOT Payment due for the 2017 year; and

WHEREAS, pursuant to that certain Standstill Agreement, dated April 27, 2017, by and between the City and the Company, the City agreed, for a period of one (1) year, to forbear the collection of any outstanding arrears and to defer collection of payment in full of the PILOT Payment due for the calendar year 2017 in the amount of \$180,774.56 in consideration of the

Company's payment of a portion of the PILOT Payment due for such calendar year in the amount of \$140,980.00; and

WHEREAS, pursuant to that certain Standstill Agreement, dated April, 2019, between the Agency and the Company, the Agency agreed, for a period of sixty (60) days (which period was extended by subsequent resolution duly adopted by the Agency), to forbear the collection of any outstanding arrears and to defer collection of payment in full of the PILOT Payment due for the calendar year 2019 in the amount of \$188,077.68 in consideration of the Company's payment of a portion of the PILOT Payment due for such calendar year in the amount of \$140,978.00; and

WHEREAS, the Company and the Agency have undertaken discussions toward a long-term resolution of the issues giving rise to the aforementioned Standstill Agreements; and

WHEREAS, the Agency is considering an amendment to the PILOT Agreement whereby (i) the term of the PILOT Agreement would be reduced by ten (10) years and would expire on December 31, 2029 whereupon the Project would be placed fully on the taxable rolls of the City, (ii) the Company would make annual payments under the PILOT Agreement in the amount of \$141,000, and (iii) the Company would make a lump sum payment to the Agency in 2020 in an amount to be agreed upon as payment in full of any and all arrearages existing under the PILOT Agreement; and

WHEREAS, the Agency desires to conduct a public hearing for the purposes of considering the provision of financial assistance to the Company and the Project as hereinbefore set forth (the "Financial Assistance").

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. Qualification of Project. Subject to the qualifications hereinafter set forth, the Agency hereby determines that undertaking and providing Financial Assistance to the Company in connection with the Project (i) will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the City of Poughkeepsie and the State of New York and improve their standard of living, (ii) will not result in the removal of an industrial, manufacturing or commercial plant of the Company or any occupant of the Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Company or any occupant of the Facility except as permitted by the Act, and (iii) is authorized by the Act and will be in furtherance of the policy of the State of New York as set forth therein.

Section 2. SEQRA. The Agency hereby finds and determines that this Resolution constitutes a determination of compliance with technical requirements within the meaning of Section 6.17.5(c)(28) of the DEC Regulations and does not constitute, and shall not be deemed to constitute, an approval by the Agency of the Project for the purposes of SEQRA.

Section 3. 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. No recourse shall be had for the

payment of, or 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 payment or performance.

Section 4. Public Hearing. The Agency hereby authorizes the scheduling and conduct of a public hearing to be held by the Agency on November 13, 2019 at 6:30 p.m. at Common Council Chambers, Poughkeepsie City Hall, 62 Civic Center Plaza, 3rd Floor, Poughkeepsie, New York 12601 concerning the proposed Financial Assistance and authorizes the Chair or Vice Chair, with the assistance of counsel to the Agency, to prepare and timely publish notice of such public hearing as required by law (including providing such notice to the Chief Executive Officer of each affected tax jurisdiction), so as to afford interested parties a reasonable opportunity, both orally and in writing, to present their views with respect to the proposed Financial Assistance.

Section 5. GML Section 875. The terms and conditions of subdivision 3 of Section 875 of the General Municipal Law are hereby incorporated herein and made a part of this resolution.

Section 6. Effect of Resolution. This resolution is not a contract between the Agency and the Company and it shall not be construed as such. The Agency shall not be bound or committed in any way except by further action taken following completion of the review required by SEQRA and the public hearing described in Section 4 above. A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

Section 7. Effective Date. This resolution shall take effect immediately. The Agency, at its discretion, may elect to repeal or amend this resolution from time to time.

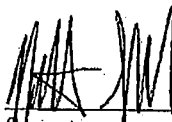
STATE OF NEW YORK)
 : SS.:
COUNTY OF DUTCHESS)

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

That I have compared the annexed extract of the minutes of the meeting of the City of Poughkeepsie Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on October 9, 2019, 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 resolutions 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.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 9th day of October, 2019.



Secretary