

CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY (IDA)
MINUTES OF BOARD MEETING
November 15, 2021

Present

Board Members: Austin DuBois, Chairman
Christina Amato, Gregory Nato, Adam Pollick, Marlon Ramos,
and Nancy Thomas

Excused: Michael Kelly

Staff: Cherisse Vickers, Executive Director
Counsel: Salvador Capecelatro

GUESTS: Anthony Grice, City Council Member
Michelle Basch

1. **Roll Call**: Board Chair Austin DuBois called the meeting to order.
2. **Proof of meeting notice**: accepted.
3. **Executive Session**

On a motion made by Marlon Ramos and seconded by Nancy Thomas, the board voted unanimously to go into Executive Session to discuss personnel items and possible litigation.

On a motion made by Nancy Thomas and seconded by Gregory Nato, the board voted unanimously to leave Executive Session and return to the regular board meeting.

No formal actions or decisions were taken during Executive Session.

Reading and Approval of minutes of the previous meeting

Minutes from the regular board meeting of October 18, 2021 were distributed to the board via e-mail.

Motion to approve the minutes as presented:

Ms. Amato: Motion to approve the minutes

Mr. Pollick: Motion seconded.

Discussion: None.

VOTE: Unanimously adopted.

Minutes from the regular board meeting of October 25, 2021 were distributed to the board via e-mail.

Motion to approve the minutes as presented:

Mr. Nato: Motion to approve the minutes
Mr. Ramos: Motion seconded.
Abstention: Austin DuBois
Discussion: None.
VOTE: Unanimously adopted

4. **Report of the Treasurer; Approval of Payment of Bills**

The Treasurer's Report is unavailable at this and has been tabled until the next board meeting.

5. **Chairman's Report**

Strategic Economic Development Council: Chair Austin DuBois briefly mentioned that respondents to the RFPs for the Montgomery Street parcel are being interviewed; no decision at this time.

6. **Counsel's Report**

St. Luke's Hospital – the IDA bonds have been re-issued.

7. **Executive Director's Report**

The Executive Director mentioned that the IDA Academy is tomorrow, and if there is anything to share, she will do so.

8. **New Business**

Resolution No. 2021-11-15-01, *Second Public Hearing Grand Street Newburgh Property*. A motion to approve this resolution was made by Marlon Ramos and seconded by Nancy Thomas; no discussion. A roll call of this resolution resulted in six (6) ayes; resolution passes and approved. Ayes: Christina Amato, Austin DuBois, Gregory Nato, Adam Pollick, Marlon Ramos, and Nancy Thomas. Absent from roll call: Michael Kelly.

The public hearing will take place on December 13, 2021, 6 p.m. After the board meeting it was later determined the hearing will take place December 20, 2021 at 6p.m. The notice will be posted to the IDA website.

Resolution No. 2021-11-15-02, *Second Public Hearing FSH Newburgh Hotel*. A motion to approve this resolution was made by Marlon Ramos and seconded by Adam Pollick; no discussion. A roll call of this resolution resulted in six (6) ayes; resolution passes and approved. Ayes: Christina Amato, Austin DuBois, Gregory Nato, Adam Pollick, Marlon Ramos, and Nancy Thomas. Absent from roll call: Michael Kelly.

The public hearing will take place on December 13, 2021, 6 p.m. After the board meeting it was later determined the hearing will take place December 20, 2021 at 6p.m. The notice will be posted to the IDA website.

Resolution No. 2021-11-15-03, *Deviation Notice to Taxing Entities*. A motion to approve this resolution was made by Marlon Ramos and seconded by Gregory Nato; no discussion. A roll call of this resolution resulted in six (6) ayes; resolution passes and

approved. Ayes: Christina Amato, Austin DuBois, Gregory Nato, Adam Pollick, Marlon Ramos, and Nancy Thomas. Absent from roll call: Michael Kelly.

9. **Old Business**

There is a need for an RFP for the sidewalk repair issue in front of the armory. On a motion made by Christina Amato and seconded by Nancy Thomas, the director will prepare and post an RFP for the work needed on the sidewalks; unanimously agreed.

10. **Adjournment**

As there is no further business to come before the board, a motion to adjourn was made by Gregory Nato and seconded by Nancy Thomas; unanimously passed.

**CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY**

Resolution No. 2021-11-15-01

**RESOLUTION AUTHORIZING
A SECOND PUBLIC HEARING
REGARDING A PROPOSED PROJECT
TO BE UNDERTAKEN FOR THE BENEFIT OF
GRAND STREET NEWBURGH PROPERTY CO, LLC**

A regular meeting of the City of Newburgh Industrial Development Agency (the “Agency”) was convened in public session at City Hall, 83 Broadway, 3rd Floor, Newburgh, New York November 15, 2021 at 6:00 o'clock p.m., local time.

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

PRESENT:

Austin DuBois	Chairperson
Nancy Thomas	Vice Chairperson
Marlon Ramos	Treasurer
Christina Amato	Secretary
Adam Pollick	Member
Gregory Nato	Member

ABSENT:

Michael Kelly	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers	Executive Director
Robert J. McLaughlin, Esq.	Agency Counsel

The following resolution was offered by Marlon Ramos, seconded by Nancy Thomas, to wit:

Resolution No. 2021-11-15-01

RESOLUTION AUTHORIZING THE CHAIR OR ANY VICE CHAIR OR ANY OFFICER OF THE CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A SECOND PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF GRAND STREET NEWBURGH PROPERTY CO, LLC.

WHEREAS, the City of Newburgh Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws 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" or the "Act") and Chapter 577 of the 1982 Laws of New York, as amended, constituting Section 913 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, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial 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 one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on July 30, 2021, Grand Street Newburgh Property Co, LLC, a New York limited partnership (the "Company") or such other person(s) or entities as may be designated by the Company and agreed upon by the Agency (collectively, the "Company"), submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) the acquisition of an interest in an approximately 1.78 acre parcel of real property located at 48-54-62 Grand Street, Newburgh, New York (the "Land"), (2) the rehabilitation and improvement of the existing three buildings on the Land totaling approximately 79,072 square feet to consist of a hotel, events venue, spa and dining facility (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Facility, and the Equipment hereinafter collectively referred to as the "Project Facility"), (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any "financial assistance" (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said Project; and

WHEREAS, the Agency, to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project, approved the holding of a public hearing at its meeting held on September 15, 2021; and

WHEREAS, pursuant to Agency Resolution No. 2021-09-15-03, the Agency held a public hearing (the "First Public Hearing") on the Project and the request financial assistance on November 4, 2021 commencing at 1:00 p.m.; and

WHEREAS, to provide the public with a continued opportunity to be heard on the Application, the Agency desires to hold a second public hearing (the "Second Public Hearing" for the Project.

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

Section 1. The Agency hereby authorizes the Chair, any Vice Chair or Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for the Second Public Hearing of the Agency to hear all persons interested in the Project; (B) to cause the Second Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Second Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Second Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct or cause the holding of such Second Public Hearing; (E) to cause a report of the Second Public Hearing fairly summarizing the views presented at such Second Public Hearing (the “Second Public Hearing Report”) to be prepared; and (F) to cause a copy of the Second Public Hearing Report to be made available to the members of the Agency.

Section 2. The Chair, any Vice Chair and/or Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chair, any Vice Chair and/or Officer of the Agency in connection with the Second Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. 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:

Austin DuBois	VOTING	Yes
Nancy Thomas	VOTING	Yes
Marlon Ramos	VOTING	Yes
Christina Amato	VOTING	Yes
Michael Kelly	VOTING	Absent
Adam Pollick	VOTING	Yes
Gregory Nato	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.

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

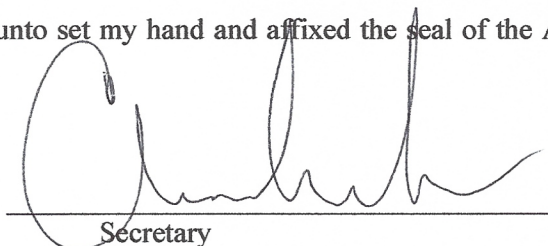
I, the undersigned Secretary of the City of Newburgh Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that

I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 15, 2021 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 contained therein and of the whole of said original 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.

15 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this day of November 2021.



Secretary

(SEAL)

**CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY**

Resolution No. 2021-11-15-02

**RESOLUTION AUTHORIZING
A SECOND PUBLIC HEARING
REGARDING A PROPOSED PROJECT
TO BE UNDERTAKEN FOR THE BENEFIT OF
FSH NEWBURGH HOTEL, LLC**

A regular meeting of the City of Newburgh Industrial Development Agency (the “Agency”) was convened in public session at City Hall, 83 Broadway, 3rd Floor, Newburgh, New York November 15, 2021 at 6:00 o'clock p.m., local time.

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

PRESENT:

Austin DuBois	Chairperson
Nancy Thomas	Vice Chairperson
Marlon Ramos	Treasurer
Christina Amato	Secretary
Adam Pollick	Member
Gregory Nato	Member

ABSENT:

Michael Kelly	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers	Executive Director
Robert J. McLaughlin, Esq.	Agency Counsel

The following resolution was offered by Marlon Ramos, seconded by Adam Pollick, to wit:

Resolution No. 2021-11-15-02

RESOLUTION AUTHORIZING THE CHAIR OR ANY VICE CHAIR OR ANY OFFICER OF THE CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A SECOND PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF FSH NEWBURGH HOTEL, LLC.

WHEREAS, the City of Newburgh Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws 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" or the "Act") and Chapter 577 of the 1982 Laws of New York, as amended, constituting Section 913 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, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial 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 one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on July 30, 2021, FSH Newburgh Hotel, LLC, a New York limited partnership (the "Company") or such other person(s) or entities as may be designated by the Company and agreed upon by the Agency (collectively, the "Company"), submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) the lease of an interest in an approximately 1.78 acre parcel of real property located at 48-54-62 Grand Street, Newburgh, New York (the "Land"), (2) the occupancy of the improvements made to the existing three buildings on the Land totaling approximately 79,072 square feet to consist of a hotel, events venue, spa and dining facility (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Facility, and the Equipment hereinafter collectively referred to as the "Project Facility"), (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any "financial assistance" (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said Project; and

WHEREAS, the Agency, to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project, approved the holding of a public hearing at its meeting held on September 15, 2021; and

WHEREAS, pursuant to Agency Resolution No. 2021-09-15-03, the Agency held a public hearing (the "First Public Hearing") on the Project and the request financial assistance on November 4, 2021 commencing at 1:00 p.m.; and

WHEREAS, to provide the public with a continued opportunity to be heard on the Application, the Agency desires to hold a second public hearing (the "Second Public Hearing" for the Project.

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

Section 1. The Agency hereby authorizes the Chair, any Vice Chair or Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and

place for the Second Public Hearing of the Agency to hear all persons interested in the Project; (B) to cause the Second Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Second Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Second Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct or cause the holding of such Second Public Hearing; (E) to cause a report of the Second Public Hearing fairly summarizing the views presented at such Second Public Hearing (the "Second Public Hearing Report") to be prepared; and (F) to cause a copy of the Second Public Hearing Report to be made available to the members of the Agency.

Section 2. The Chair, any Vice Chair and/or Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chair, any Vice Chair and/or Officer of the Agency in connection with the Second Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. 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:

Austin DuBois	VOTING	Yes
Nancy Thomas	VOTING	Yes
Marlon Ramos	VOTING	Yes
Christina Amato	VOTING	Yes
Michael Kelly	VOTING	Absent
Adam Pollick	VOTING	Yes
Gregory Nato	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.

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

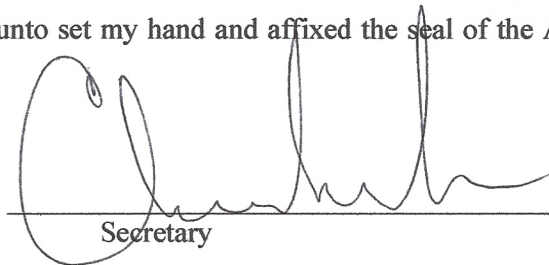
I, the undersigned Secretary of the City of Newburgh Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that

I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 15, 2021 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 contained therein and of the whole of said original 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.

15 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this day of November 2021.


Secretary

(SEAL)

CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2021-11-15-03

**RESOLUTION AUTHORIZING A DEVIATION NOTICE
FROM THE AGENCY'S
UNIFORM TAX EXEMPTION POLICY
GRAND STREET NEWBURGH PROPERTY CO, LLC PROJECT**

A regular meeting of the City of Newburgh Industrial Development Agency (the "Agency") was convened in public session at City Hall, 83 Broadway, 3rd Floor, Newburgh, New York November 15, 2021 at 6:00 o'clock p.m., local time.

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

PRESENT:

Austin DuBois	Chairperson
Nancy Thomas	Vice Chairperson
Marlon Ramos	Treasurer
Christina Amato	Secretary
Adam Pollick	Member
Gregory Nato	Member

ABSENT:

Michael Kelly Member

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers	Executive Director
Robert J. McLaughlin, Esq.	Agency Counsel

The following resolution was offered by Marlon Ramos, seconded by Gregory Nato, to wit:

Resolution No. 2021-11-15-03

RESOLUTION AUTHORIZING THE CHAIR OR ANY VICE CHAIR OR OFFICER OF THE CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY TO SEND A LETTER TO THE CHIEF EXECUTIVE OFFICERS OF THE AFFECTED TAXING ENTITIES INFORMING THEM OF A PROPOSED DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED GRAND STREET NEWBURGH PROPERTY CO, LLC PROJECT.

WHEREAS, the City of Newburgh Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws 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" or the "Act") and Chapter 577 of the 1982 Laws of New York, as amended, constituting Section 913 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, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial 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 and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on July 30, 2021, Grand Street Newburgh Property Co, LLC, a New York limited partnership (the "Company") or such other person(s) or entities as may be designated by the Company and agreed upon by the Agency (collectively, the "Company"), submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) the acquisition of an interest in an approximately 1.78 acre parcel of real property located at 48-54-62 Grand Street, Newburgh, New York (the "Land"), (2) the rehabilitation and improvement of the existing three buildings on the Land totaling approximately 79,072 square feet to consist of a hotel, events venue, spa and dining facility (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Facility, and the Equipment hereinafter collectively referred to as the "Project Facility"), (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on September 15, 2021 (the "Public Hearing Resolution"), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, the Company submitted certain amendments to the Application (the "Application Amendments" and with the Application, the "Application") on or about October 25, 2021; and

WHEREAS, the Agency received its Cost Benefit Analysis dated October 28, 2021 (revised November 2, 2021) and the Test of Reasonableness Findings dated October 29, 2021 conducted by its agent MRB Group; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chairperson of the Agency (A) caused notice of a public hearing of the Agency (the "Public Hearing") pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the Financial Assistance being contemplated by the Agency with respect to the Project, to be mailed and hand delivered on October 21, 2021 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located; (B) caused notice of the Public Hearing to be posted on October 21, 2021 on a bulletin board located at City Hall located at 83 Broadway in the City of Newburgh, Orange County, New York and to the Agency website on October 21, 2021; (C) caused notice of the Public Hearing to be published on October 25, 2021 in the Times Herald Record, a newspaper of general circulation available to the residents of the City of Newburgh, Orange County, New York; (D) conducted the Public Hearing on November 4, 2021 at 1:00 o'clock p.m., local time in person at City Hall, 83 Broadway, 3rd Floor, Newburgh, New York; and (E) prepared a report of the Public Hearing (the "Hearing Report") fairly summarizing the views presented at such Public Hearing; and

WHEREAS, a copy of the Hearing Report will be made available to the members of the Agency and the public prior to any vote considering the Financial Assistance; and

WHEREAS, in connection with the Application, the Company has made a request to the Agency (the "Pilot Request") at the Agency's regular meeting held on November 15, 2021, to deviate from its uniform tax exemption policy (the "Policy") with respect to the payments to be made under a payment in lieu of tax agreement by and between the Agency and the Company (the "Proposed Pilot Agreement"); and

WHEREAS, pursuant to Section 874(4) of the Act and the Policy, prior to taking final action on the Pilot Request for a deviation from the Policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project is located (collectively, the "Affected Tax Jurisdictions") prior written notice of the proposed deviation from the Policy and the reasons therefore; and

WHEREAS, the Policy provides that the real property tax abatements to be provided by the Agency shall apply only to the value added by an applicant's construction or renovation activities to the existing parcel and improvements involved (the "Added Value"); and

WHEREAS, the comparison of the current Added Value of the Project to the proposed deviation from the Policy proposed by the Company are set forth below:

TAX YEAR	Percentage of Exemption
1 to 6	90%
7	80%
8	70%
9	60%

10	50%
11	33.33%
12	16.67%
13 and thereafter	0%

The Policy also provides that the period of the exemption will not exceed the period of the respective financing or lease and will be for a period of up to ten (10) years; and

WHEREAS, pursuant to Section 856(15) of the Act, unless otherwise agreed by the Affected Tax Jurisdictions, payments in lieu of taxes must be allocated among the Affected Tax Jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each Affected Tax Jurisdiction had the Project Facility not been tax exempt due to the status of the Agency; and

WHEREAS, pursuant to Section 874(4) of the Act and the Policy, prior to taking final action on the Pilot Request for a deviation from the Policy, the Agency must adopt a resolution setting forth, with respect to the proposed deviation: (a) the amount of the proposed Tax Exemption, (b) the amount and nature of the proposed PILOT, (c) indicating the reasons for the proposed deviation, and (d) whenever possible, provide the Affected Tax Jurisdictions prior written thirty (30) days' notice of the proposed deviation from the Policy and the reasons therefore; and

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

Section 1. Having considered both the Application, the Pilot Request and the Policy, the Agency hereby authorizes the Chair, any Vice Chair or any Officer of the Agency, to send a written notice to the chief executive officers of each of the Affected Tax Jurisdictions informing them that the Agency is considering a proposed deviation from the Policy with respect to the Project and the reasons therefore (in substantially the form of the draft of said letter attached hereto as Exhibit A), and soliciting any comments that such Affected Tax Jurisdictions may have with respect to said proposed deviation.

Section 2. The Affected Tax Jurisdictions are notified that the Agency hereby determines that thirty (30) days' notice is not practicable in this circumstance. Accordingly, the Agency will consider comments received by the Affected Tax Jurisdictions at its regular meeting of the Agency to be held on December 13, 2021 commencing at 6:00 o'clock p.m.

Section 3. 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:

Austin DuBois	VOTING	Yes
Nancy Thomas	VOTING	Yes
Marlon Ramos	VOTING	Yes
Christina Amato	VOTING	Yes
Michael Kelly	VOTING	Absent
Adam Pollick	VOTING	Yes
Gregory Nato	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted

STATE OF NEW YORK

) ss.:

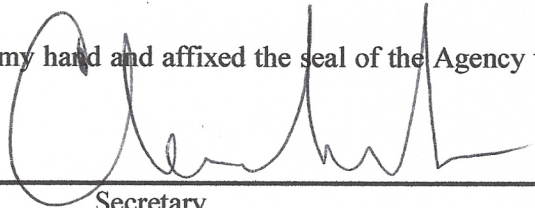
COUNTY OF ORANGE

I, the undersigned Secretary of the City of Newburgh Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 15, 2021 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 contained therein and of the whole of said original 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"), as amended by Executive Order 202.1, as amended and extended, 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 WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 15 day of November 2021.


Secretary

(SEAL)

EXHIBIT A

NOTICE OF DEVIATION TO THE AFFECTED TAX JURISDICTIONS ISSUED IN ACCORDANCE
WITH AGENCY RESOLUTION DATED NOVEMBER 15, 2021

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY
83 Broadway, Third Floor
Newburgh, New York 12551-1298
Tel: 845-569-7369

November 29, 2021

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

The Honorable Steven M. Neuhaus
County Executive of Orange County
Orange County Government Center
255 Main Street
Goshen, New York 10924

Ed Forgit, Acting Superintendent of Schools
Newburgh Enlarged School District
124 Grand Street
Newburgh, New York 12550

The Honorable Torrance Harvey, Mayor
City of Newburgh
83 Broadway
Newburgh, New York 12551

Carol Mineo, Board President
Newburgh Enlarged School District
124 Grand Street
Newburgh, New York 12550

The Honorable Todd Venning, City
Manager
City of Newburgh
83 Broadway
Newburgh, New York 12551

The Honorable Karen Mejia, Council
Member, City of Newburgh
83 Broadway
Newburgh, New York 12550

The Honorable Ramona Monteverde,
Council Member, City of Newburgh
83 Broadway
Newburgh, New York 12550

The Honorable Robert Sklarz, Council
Member, City of Newburgh
83 Broadway
Newburgh, New York 12550

ADDRESSEES CONTINUED

November 29, 2021

Page 2

The Honorable Patty Sofokles, Council
Member, City of Newburgh
83 Broadway
Newburgh, New York 12550

The Honorable Anthony Grice, Council
Member, City of Newburgh
83 Broadway
Newburgh, New York 12550

The Honorable Omar Shakur, Council
Member, City of Newburgh
83 Broadway
Newburgh, New York 12550

RE: Proposed Deviation from Uniform Tax Exemption
Policy by the City of Newburgh Industrial
Development Agency ("Agency") in connection with
its Proposed Grand Street Newburgh Property Co.,
LLC Project

Honorable Sirs and Madame:

This letter is delivered to you pursuant to Section 874(4)(b) of the General Municipal Law (the "Act").

Grand Street Newburgh Property Co., LLC, a New York limited liability company (the "Company"), has presented an application (the "Application") to the Agency, (a copy of which Application is on file at the office of the Agency), requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) the lease of an interest in an approximately 1.78 acre parcel of real property located at 48-54-62 Grand Street, Newburgh, New York (the "Land"), (2) the occupancy of the improvements made to the existing three buildings on the Land totaling approximately 79,072 square feet to consist of a hotel, events venue, spa and dining facility (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Facility, and the Equipment hereinafter collectively referred to as the "Project Facility"), (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency. Certain portions of the Application and the requested Financial Assistance requested were modified and amended by the Company on or about October 27, 2021.

At its regular meeting held on September 15, 2021, the Company made a request to the Agency (the "Pilot Request") to enter into a payment in lieu of tax agreement (the "Proposed Pilot Agreement") which terms deviate from the Agency Uniform Tax Exemption Policy (the "Policy"). (Capitalized terms not otherwise defined herein are defined in the Policy which can be viewed at <https://www.cityofnewburgh-ny.gov/509/Policies-By-Laws>.) At its September 15, 2021 regular meeting, the Agency approved a Public Hearing Resolution. The Public Hearing to consider the Project was held on November 4, 2021.

Pursuant to Section 874(4) of the Act, and in accordance with the Policy, prior to taking final action on the Pilot Request for a deviation from the Policy, the Agency must adopt a resolution setting forth, with respect to the proposed deviation: (a) the amount of the proposed Tax Exemption, (b) the amount and nature of the proposed PILOT, and (c) indicating the reasons for the proposed deviation. At its regular meeting held on November 15, 2021, the Agency approved the issuance of this letter setting forth the reasons of the proposed deviation from the Policy as required by the Act and the Policy.

The Proposed Pilot Agreement would be for a term of up to 12 years, with the Company making the payments in each year as a Pilot Payment as follows:

[DRAFT - TO BE FINALIZED AFTER COMMENTS RECEIVED]

<u>TAX YEAR</u>	<u>Percentage of Exemption*</u>
1 to 6	90%
7	80%
8	70%
9	60%
10	50%
11	33.33%
12	16.67%
13 and thereafter	0%

*On future assessments related to improvements made as part of current Project

The purpose of this letter is to inform you of such Pilot Request and that the Agency is considering whether to grant the Pilot Request and to approve a Proposed Pilot Agreement conforming to the terms of the Pilot Request. The Agency expects to consider whether to approve the terms of the Proposed Pilot Agreement at a public hearing scheduled for December 20, 2021 at 6:00 p.m. (the "Meeting"). The Meeting will also serve as an extension of the initial Public Hearing held on November 4, 2021 so that the Agency can hear additional comments from the public on the proposed financial assistance being considered for the Project. You are encouraged to submit written comments to the Agency prior to or at the hearing date on December 20, 2021. This letter is forwarded to you for purposes of complying with Section 874 of the Act and the Policy, which requires notice prior to the Agency taking final action with respect to the Proposed Pilot Agreement (if said Proposed Pilot Agreement may deviate from the provisions of the Policy).

The Agency has considered the following factors in considering the proposed deviation from the Policy:

1. The nature of the Project: Development and completion of a hotel, events venue, spa and dining facility totaling approximately 79,072 square feet on approximately 1.78 acre parcel of real property located at 48-54-62 Grand Street, Newburgh, New York.

2. The present use of the property: Abandoned buildings. The proposal would qualify as an adaptive reuse of the currently abandoned structures, transforming these structures into a vibrant business bringing sales and hotel occupancy tax revenue to the City.

3. The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area: At the time of the filing of the Application, the economic condition of the area in which the Project Facility is to be located is distressed.

4. New revenue from development of the Project is projected to be (in accordance with the Agency Cost-benefit Analysis): \$3,776,773 in new tax revenue; \$62,950 in sales tax revenue related to construction; \$286,914 in sales tax revenue related to operating the Project Facility during the period of the proposed PILOT; \$4,204,654 in sales tax revenue from on-site retail sales; and \$868,420 in hotel occupancy tax.

5. The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs:

(a) In the Application, the Company's Application anticipates that the Project will create approximately 49 jobs (professional, managerial, semi-skilled and unskilled) in the first year of development, and an additional 55 jobs (professional, managerial, semi-skilled and unskilled) in the second year of development. Upon completion of the Project, it is estimated that the anticipated employment at the Project will generate approximately \$3.3 million in wages annually.

(b) The construction phase of the Project is anticipated to create approximately 67 direct, on-site construction jobs and 43 indirect jobs. Combining direct and indirect impacts, the construction phase of the Project is expected to create 110 jobs that are expected to generate approximately \$9.6 million in wages. The Applicant has indicated that the majority of the construction jobs will be filled by local labor.

6. The estimated value of new tax exemptions to be provided: Real property tax exemption benefit of approximately \$4,510,525 (estimated per the Agency Cost-Benefit Analysis); mortgage recording tax exemption of approximately \$192,150 (per the Application); and sales tax exemption benefit of approximately \$939,067 (per the Application).

7. The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions: The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions is positive. The existing assessments on the three buildings at the Project site will be paid in full for the first time in decades. The proposed PILOT Agreement will apply to the improvements made to the Project site and will result in an inflow of net revenue to the City, the County and the School District where today there is none. The development of the Project Facility is expected to

result in local construction jobs, the creation of permanent jobs and the development of additional retail.

8. The impact of the Proposed Pilot Agreement on existing and proposed businesses and economic development projects in the vicinity: The impact of the Project is a positive one on the community. The area around the Project is deteriorated due the buildings included in the Project being vacant.

9. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement: \$24,450,000.

10. The effect of the Proposed Pilot Agreement on the environment: The Project is consistent with prior approvals for similar sites which previously determined that there would be no detrimental impact on the environment.

11. Project Timing: Anticipated to be completed within two (2) years of the commencement date of approximately May 2021.

12. Development/Redevelopment Impacts: Newburgh's Downtown Revitalization Plan seeks redevelopment of derelict buildings, new housing, more jobs and investments in the community. The City's Downtown Revitalization Plan specifically focuses on improving historic buildings near the waterfront.

13. Type of development: The Project consists of a proposed hotel, events venue, spa and dining facility and is an adaptive reuse of existing buildings which are vacant and have been deteriorating for decades without any revenue to the City or the County.

14. Creation of tourism/cultural destinations: The Project is located near the historic Washington Headquarters and the restaurants and shops on Liberty Street. Completing construction of the Project will induce further tourism and cultural opportunities in the surrounding area.

15. Development of Architecturally and historically significant properties: The Project will complete the renovation of three historic structures which have been vacant and deteriorating for decades.

16. Energy Efficiency: The Project will be built in accordance with New York State Building and Energy codes.

The Agency will consider the Proposed Pilot Agreement (and the proposed deviation from the Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Policy. In accordance with Section 874(4)(c) of the Act, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation from the Agency's Uniform Tax Exemption Policy.

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

November 29, 2021
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Sincerely,

A handwritten signature in black ink, consisting of a series of connected loops and a long horizontal stroke extending to the right.

Austin DuBois, Chair
City of Newburgh
Industrial Development Agency