

CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY (IDA)
MINUTES OF BOARD MEETING
February 16, 2022

Present

Board Members: Austin DuBois, Chairman,
Christina Amato, Secretary
Marlon Ramos, Treasurer
Adam Pollick, Michael Kelly, Gregory Nato

Excused: Nancy Thomas, Vice-Chair

Staff: Cherisse Vickers, Executive Director
Counsel: Robert McLaughlin, Whiteman Osterman & Hanna LLP
Catherine Kemp, Whiteman, Osterman & Hanna LLP

Guests: Walter Garigliano, Garigliano Law
Sims Foster, Ryan Foster, Chris Monello - FSH Newburgh
Hotel
Marianne Marichal

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 Greg Nato and seconded by Marlon Ramos, the board voted unanimously to go into Executive Session to discuss matters relating to possible or potential litigation.

On a motion made by Adam Pollick and seconded by Christina Amato, 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.

4. **Reading and Approval of Minutes of the Previous Meeting**

Minutes from the regular board meeting of January 26, 2021 were distributed to the board via e-mail.

Motion to approve the minutes as presented:

Mr. Kelly: Motion to approve the minutes
Mr. Ramos: Motion seconded
Discussion: None.
VOTE: Unanimously adopted.

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

Treasurer Marlon Ramos presented the January 2022 Treasurer's Report to the board. On a motion made by Gregory Nato and seconded by Christina Amato, the board approved the January 2022 Treasurer's Report; unanimously approved.

A motion to pay January 2022 bills as presented (check numbers 1012-1017) was made by Michael Kelly and seconded by Gregory Nato; unanimously approved.

6. **Chairman's Report**

Strategic Economic Development Advisory Council update: Parcel by Horizon's School: Proposal will be made to City Council on February 24, 2022 work session meeting. Two finalists will present their projects. SEDAC will give their recommendation.

7. **Counsel's Report**

5 Scobie Drive update: Still waiting for response from the two attorneys involved.
104 Washington St: Hope to have the applicant initiate closing before March meeting.
FSH Newburgh Hotel: legal work done, resulting in some resolutions to be presented later at this meeting.

8. **Executive Director's Report**

Executive Director is currently preparing files for annual PARIS report which is due March 31, 2022. Upon completion by PARIS, the City Council should be updated with the results. Discussions have been had with a new potential applicant.

9. **New Business**

Only one proposal to repair the Broadway Armory sidewalks was received. It was not acceptable. Motion to reject all current submitted proposals and ask for new RFP submissions by April 1, 2022.

Mr. Kelly: Motion to seek new RFPs by April 1, 2022
Mr. Pollack: Motion seconded
VOTE: Unanimously adopted.

Counsel advisements regarding Armory.

Mr. Nato: Motion to move forward with Armory counsel recommendations
Ms. Amato: Motion seconded
VOTE: Unanimously adopted.

Resolution 22-02-16-01 Adoption of Local Labor Policy

This policy is similar to other county labor policies in that it requires applicants to hire local labor and allows the IDA to hire its' own compliance monitor.

Ms. Amato: Motion to adopt Local Labor Policy
Mr. Nato: Motion seconded
Discussion: None
Roll Call: Present: Austin DuBois, Marlon Ramos, Christina Amato,
Michael Kelly, Gregory Nato, Adam Pollick
Excused: Nancy Thomas
VOTE: Unanimously adopted.

Resolution 22-02-16-02 SEQRA Grand Street Newburgh Property Co, LLC (FSH Newburgh Hotel, LLC) Project

The Planning Board is the lead agency. They have done the requirements of the SEQR act. The IDA reviewed with nothing to add.

Mr. Kelly: Motion to adopt SEQRA Resolution
Mr. Nato: Motion seconded
Discussion: None
Roll Call: Present: Austin DuBois, Marlon Ramos, Christina Amato,
Michael Kelly, Gregory Nato, Adam Pollick,
Excused: Nancy Thomas
VOTE: Unanimously adopted.

Resolution 22-02-16-03 to Approve Newburgh Property Co, LLC (FSH Newburgh Hotel, LLC) Project

FSH Application for PILOT request, including Sales & Mortgage Tax abatements

DISCUSSION:

Marlon Ramos: requested a job creation progress update

Sims Foster: Currently working on letter of intent with Dr. Young that will be sent to IDA Executive Director Cher Vickers. It will outline progress to date. Verbally stated that Orange County Community College (OCCC) started to develop a Hospitality Training Program prior to the FSH project. FSH LLC has a non-profit company called Foodteck, with a very strong board of directors. Foodteck will be working closely with OCCC to further develop the program, provide kitchen and other space at the hotel when the program outgrows OCCC facilities, implement an internship program where FSH (Foodteck) employees will become adjunct professors and mentors. Sims Foster agreed with Marlon in that there would be no expected delays between hotel opening and OCCC integration. FoodTeck will be involved and working on the OCCC Hospitality Program even before the hotel opens.

Christina Amato: Comment: Happy that this project gives great use to previously vacant properties. Excited for the job potential. Noted the new IDA Labor Policy for the project and the City of Newburgh residents can use and work at the properties. There have

been very thorough public meetings with comments. Project has had great public support.

Catherine Kemp: Changes circulated to board and applicant since previous version of resolution. Letter amendment submitted by applicant with updated project costs. New projected revenue for local taxing jurisdictions numbers also submitted.

RESOLUTION AMENDMENTS:

Sec 4 Item D: New project cost \$29,942,710.00

Sec 4 Item G (ii)(1): Project facility will provide necessary infrastructure and other opportunities to area employers and businesses.

Sec 4 Item G (ii)(7): Project will adaptively reuse for economic purposes three vacant and deteriorating commercial structures in the City of Newburgh.

Sec 7: The Payment in Lieu of Tax Agreement shall provide for PILOT Payments based on the following percentage exemptions.

Exhibit A 4: The Company agrees that the Project will comply with the Agency's Local Labor Policy. In connection with Labor Policy, the Agency will contract with an independent consultant to review the Company's compliance with the Labor Policy and the Company will establish an escrow account with the Agency for the purposes of paying the costs and fees of such independent consultant.

Exhibit A Item 5: \$29,942,710.00 new project cost

Exhibit A Item 6: \$1,756,179.00 local revenue

Exhibit A Item 13: City Manager approval of project line removed

Exhibit A Item 14: County Historian was added

Exhibit B Item 1: Changed from 6 months to 12 months

Exhibit B Item 2: Changed to read: Failure of the Project Beneficiary to document to the satisfaction of the Agency the completion of the acquisition, construction, reconstruction, renovation, and/or installation of the Project Facility within 24 months of the commencement of construction.

Exhibit B Item 14: Changed to read: Failure by the Project Beneficiary to use best efforts to establish an intern and training program with Orange County Community College or other workforce development or training program serving Newburgh residents for hospitality and food/beverage industry and jobs within 24 months of commencement of construction.

Mr. Nato: Motion to adopt resolution & FSH project application
Ms. Amato: Motion seconded
Roll Call: Present: Austin DuBois, Marlon Ramos, Christina Amato,
Michael Kelly, Gregory Nato, Adam Pollick.
Excused: Nancy Thomas
VOTE: Unanimously adopted.

10. **Old Business**

None

11. **Adjournment**

As there is no further business to come before the board, a motion to adjourn was made by Christina Amato and seconded by Michael Kelly; unanimously passed.

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY
Treasurer's Report for the February 16, 2021 Meeting

OPERATING Account

Opening Balance As of January 1, 2022 **\$377,032.90**
 from Quickbooks

Deposits	Payor	Amount	Remarks
	1/4/2022 AT&T	3,657.55	Cell tower
	1/4/2022 Central Hudson	2,091.56	Cell tower
	1/18/2022 T-Mobile	2,077.02	Cell tower
	1/18/2022 T-Mobile	4,914.83	Cell tower
	TOTAL	\$ 12,740.96	

Disbursements

Check

Number	Check Date	Payee	Amount	Remarks
1012	1/26/2022	Mary T. Babiarz	1481.30	Inv. #205101
1013	1/18/2022	Cherisse Vickers	1,614.99	Inv. #184 X
1014	1/18/2022	MRB Group	1,000.00	Inv. #42124 X
1015	1/18/2022	Office Depot	126.74	Inv. #216451085001 X
1016	1/26/2022	BST	1,000.00	Inv. #375118
1017	1/26/2022	MRB Group	1,347.50	Inv #42123
	TOTAL		\$6,570.53	

Closing Balance As of January 31, 2022 **\$383,203.33**

from Quickbooks

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY
Treasurer's Report for the February 16, 2022 Meeting

APPLICATIONS FUND Account

Opening Balance	As of January 1, 2022	\$14,137.50
Closing Balance	As of January 31, 2022	\$14,137.50

LESSOR/TENANT Account

Opening Balance	As of January 1, 2022	\$2,400.00
Closing Balance	As of January 31, 2022	\$2,400.00

MONEY MARKET Account

Opening Balance	As of January 1, 2022	\$750,519.68
Interest credit		63.76
Closing Balance	As of January 31, 2022	\$750,583.44

CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2022-02-16-01

RESOLUTION ADOPTING A LOCAL LABOR POLICY

A special meeting of City of Newburgh Industrial Development Agency (the "Agency") was convened in public session at City Hall, 83 Broadway, Newburgh, New York on February 16, 2022 at 6:00 o'clock p.m., local time.

Each of the members present participated in the meeting either in person or remotely pursuant to the provisions of Chapter 417 of the Laws of 2021, as amended on January 14, 2022. The meeting was called to order by the Chair of the Agency and, upon roll being called, the following members of the Agency were:

Austin DuBois	Chairperson
Marlon Ramos	Treasurer
Christina Amato	Secretary
Michael Kelly	Member
Adam Pollick	Member
Gregory Nato	Member

ABSENT:

Nancy Thomas	Vice Chairperson
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

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

The following resolution was offered by Christina Amato, seconded by Gregory Nato, to wit:

Resolution No. 2022-02-16-01

RESOLUTION ADOPTING A LOCAL LABOR POLICY.

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") 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 commercial, manufacturing 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 City of Newburgh, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, construction jobs, though limited in time duration, are vital to the overall employment opportunities and economic growth in the City of Newburgh specifically and in Orange County generally; and

WHEREAS, the Agency desires that companies benefiting from its financial assistance programs should employ local laborers, mechanics, craft persons, journey workers, equipment operators, truck drivers and apprentices, including those who have returned from military service, during the construction phase of projects in order to further the Agency's purpose to advance the general prosperity of the City of Newburgh; and

WHEREAS, the Agency desires to adopt a Local Labor Policy providing guidelines for the use of local labor by companies benefiting from Agency financial assistance; and

WHEREAS, the members of the Agency have reviewed and discussed the Local Labor Policy attached hereto as Exhibit A.

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

Section 1. The Agency hereby adopts the Local Labor Policy in the form attached hereto as Exhibit A, with such additions and changes as approved at this meeting.

Section 2. The Chair and the Executive Director are authorized to publish and post the Local Labor Policy adopted by this Resolution.

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	Yea
Nancy Thomas	VOTING	Absent
Marlon Ramos	VOTING	Yea
Christina Amato	VOTING	Yea
Michael Kelly	VOTING	Yea
Gregory Nato	VOTING	Yea
Adam Pollick	VOTING	Yea

The foregoing Resolution was thereupon declared duly adopted.

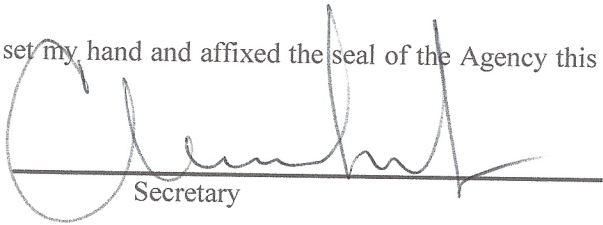
STATE OF NEW YORK)
) ss.:
COUNTY OF ORANGE)

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 March 22, 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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 23 day of February 2022.



Secretary

(SEAL)

EXHIBIT A

LOCAL LABOR POLICY

OF THE

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY

ADOPTED FEBRUARY 16, 2022

LOCAL LABOR POLICY

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY

ADOPTED FEBRUARY 16, 2022

Section 1: Purpose and Authority

The City of Newburgh Industrial Development Agency (the "Agency") was created for the purpose of creating employment opportunities for, and to promote the general prosperity and economic welfare of, the residents of the City of Newburgh, Orange County, New York. The Agency offers economic incentives and benefits to qualified applicants who wish to locate or expand their businesses or facilities in the City of Newburgh. When the Agency approves a project, it enters into agreements to extend these incentives and benefits to the applicant.

Construction jobs, though limited in time duration, are vital to the overall employment opportunities and economic growth in the City of Newburgh specifically and in Orange County generally. The Agency believes that companies benefiting from its financial assistance programs should employ local laborers, mechanics, craft persons, journey workers, equipment operators, truck drivers and apprentices (hereinafter "construction workers"), including those who have returned from military service, during the construction phase of projects. In this way, the Agency can generate significant benefits to advance the City of Newburgh's general prosperity. It is also the goal of the Agency to promote the use of local veterans on projects receiving Agency benefits. By partnering with local contractors, local contractor groups, local trade unions and contractors awarded work on Agency projects, there are opportunities for veterans to gain both short-term and long-term careers in the construction industry.

Section 2: General Provisions

It is, therefore, the policy of the Agency that firms benefiting from its programs shall employ workers from the City of Newburgh and the "local labor" market for (i) the site preparation and construction phases of the project, (ii) the installation of the internal furnishings and equipment outfitting if, and to the extent, that the Agency granted benefits regarding such internal furnishings and equipment outfitting of the constructed facility (*e.g.*, sales tax benefits on such furnishings and/or equipment), and (iii) all renovations and additions if, and to the extent, that the Agency granted benefits for such renovations and additions.

For the purpose of this policy ("Policy"), the "local labor" market for construction workers shall be defined as those individuals living in City of Newburgh or in the following Counties: Orange, Ulster, Sullivan, Dutchess, Putnam, Rockland and Westchester. The Agency encourages each applicant receiving financial assistance to utilize labor from the City of Newburgh and/or Orange County to the extent possible. Each applicant ("Applicant") receiving Agency financial assistance (collectively, "Agency Benefits") shall ensure that contractor(s) and developer(s) engage or hire at least 85% from the "local labor" market for their approved projects. The 85% shall be borne by each primary contractor including their subcontractors and in total at the time of completion of the project. The contractor/developer is mandated to keep daily log sheets of all

field workers, commencing on the date of application. Any work performed after application shall be included in the determination of overall compliance with the 85% hiring requirements of this Policy. A third-party auditing firm will be engaged to monitor construction work commencing on the date Agency Benefits are granted by resolution of the Agency. Monitoring on site by the third-party auditing firm may be performed with or without prior notice to the Applicant to ensure accuracy of the monitoring information and reporting. Each Applicant will be responsible for the payment of such auditing firm.

Section 3: Exemptions

The Agency recognizes, however, that the use of local labor may not be possible for several reasons, and the Applicant may request an exemption on a particular contract or trade scope for the following reasons:

1. Warranty issues
 - a. In the case a specialized manufacturing warranty is required by the applicant in which no local labor can manufacture an “all equal” product
 - b. In the case an installation warranty is required by the applicant in which no local labor can install an “all equal” product
2. Specialized construction is required and no local contractors or local construction workers have the required skills, certifications or training to perform the work;
3. Cost Differentials:
 - a. For projects whose project cost are equal to or in excess \$15,000,000, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the subcontract or contract of a particular trade or work scope by 30%. Every reasonable effort should be made by the Applicant and or the Applicants' contractor to get below the 30% cost differential including, but not limited to, communicating and meeting with local construction trade organizations, such as the local Contractor Associations. If the applicant or applicants' contractors cannot get below the 30% cost differential, the applicant must give the otherwise preferred local bidder one final chance to get below the 30% cost differential. This effort must be documented and presented to the Agency's third-party local labor monitoring firm.
 - b. For projects whose project cost is less than \$15,000,000, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the subcontract or contract of a particular trade or work scope by 15% or more. Every reasonable effort should be made by the Applicant and or the Applicants' contractor to get below the 15% cost differential including, but not limited to, communicating and meeting with local construction trade organizations, such as the local Contractor Associations. If the applicant or applicants' contractors cannot get below the 15% cost differential, the applicant must give the otherwise preferred local bidder one final chance to get below the 15% cost differential. This effort must be documented and presented to the Agency's third-party local labor monitoring firm.
4. No local labor is available for the project; and

5. The contractor requires key or core persons such as supervisors, foreman or "construction workers" having special skills that are not available in the "local labor" market.

The request to secure an exemption for the use of non-local labor must be received from the Applicant on the exemption form provided by the Agency or the third-party monitor and received in advance of work commencing. The request will be reviewed by the third-party monitor and forwarded to the Agency, at which time the Agency's Audit Committee shall have the authority to approve or disapprove the exemption. The third-party monitor shall report each authorized exemption to the Board of Directors at its' bi-monthly meeting.

Section 4: Certified Payroll Records and Monitoring Requirement

A certified payroll requirement improves record keeping and accountability about job descriptions, hours worked and wages earned on an IDA Project site. Accordingly, the designated construction manager for the IDA Project, acting as agent for the applicant, on the IDA Project shall: (i) provide to the duly designated IDA Project Monitor (the "Monitor") within 30 days of the end of the month being reported a certified monthly payroll report of all construction workers working on the IDA Project site, which include names, days/hours worked, and rate of pay, and worker classification, and (ii) annually certify to the Agency that the IDA Project is in compliance with state laws related to environmental quality, worker safety and protection, and wages and hours.

The Monitor shall issue a report to the Executive Director relative to compliance with this policy who shall share such information with the IDA Board of Directors. All applicants have a duty to cooperate with the Monitor. All costs of the Monitor shall be the obligation of the applicant. If a violation of the policy has occurred, the Executive Director shall notify the applicant in writing and give such applicant a warning of such violation. In the event there is a subsequent violation of the policy, the Executive Director shall bring such information to the IDA Board of Directors which may, in its discretion, take action to revoke or recapture IDA benefits

Section 5: Project Information

Applicants receiving Agency financial assistance, as well as contractor(s)/developer(s) on the project, shall make every effort to utilize vendors, material suppliers, subcontractors and professional services from the City of Newburgh and the surrounding counties identified above. Applicant(s), contractor(s) and developer(s) shall be required to keep records of those local vendor(s), material supplier(s), contractor(s) and professional services whom they have solicited and with whom they have contracted with or made awards to. This shall be stored in a binder on the project site during construction and shall be easily available for review by an authorized representative of the Agency, such as the Agency's third-party Monitor. Such binder shall also include any documents for solicitation and the final contracts. Once approved for Agency Benefits, all Applicants will be required to provide to the Agency's staff the following information:

1. Contact information for the Applicant's representative who will be responsible and accountable for providing information about the bidding and awarding of construction contracts relative to the Applicants project;
2. Description of the nature of construction jobs created by the project, including in as much detail as possible, the number, type and duration of construction positions;
3. The names, contact information, certificate of authorization to do business in the State of New York and copies of current Certificates of NYS Workers' Compensation Insurance, NYS Disability Insurance, General Liability Insurance and proof of current OSHA training certification from all contractors' employees performing work on the site; and
4. A Construction Completion Report listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged in the construction phase of the project.

All Agency projects are subject to local monitoring by the Agency and the third-party Monitor. The Applicant and/or construction manager or general contractor acting as agent for the Applicant on the project, shall keep a log book on site detailing the number of workers, hours worked and counties and states in which they reside. Proof of residency or copy of drivers' license shall be included in the log book, along with evidence of necessary OSHA Certifications. Reports will be on forms provided by the Agency or weekly payroll reports which contain the same information as required on the Agency issued form. The Applicant(s), contractor(s) and developer(s) are subject to periodic inspection or monitoring by the Agency or its third-party Monitor.

Section 6: Bulletin Board

The Agency will use a third-party firm(s) to Monitor and audit compliance with this Policy, the cost of which shall be paid for by the Applicant at closing in advance of future audits and held in a non-interest bearing escrow account by the Agency until all such audits are completed. The Applicant of an Agency approved project, unless otherwise agreed by the Agency, shall be required to maintain a 4' X 8' bulletin board on the project site. The bulletin board shall be located in an area that is accessible to onsite workers and visitor, which should be clear and legible at least 10 feet from said bulletin board, and contain the following information:

1. Contact information for the Applicant;
2. Summary of the Agency Benefits received;
3. Contractor's name(s) and contact information;
4. Copies of proof of exemption (if any) from this Policy;
5. Copies of any warnings or violations (if any) of this Policy; and

6. Copy of this Policy executed by the Applicant.

Section 7: Compliance

The third-party Monitor shall issue a report to the Agency immediately when an Applicant or Applicants' contractor (or developer) is not in compliance of this Policy. Agency staff shall advise the Audit Committee and/or Agency Board on non-compliance by email or at the next scheduled meeting. If a violation of this Policy has occurred, Agency staff shall notify the Applicant and contractor in writing of noncompliance and give Applicant a warning of violation and 72 hours in which to correct such violation. Upon evidence of continued non-compliance or additional violations, the Agency and/or its third-party Monitor shall notify the Applicant that the project is in violation of this Policy and is subject to Agency Board action which may result in the revocation, termination and/or recapture of any or all Agency Benefits conferred by the Agency as provided in the project closing documents.

**CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY**

Resolution No. 2022-02-16-02

**SEQRA RESOLUTION
GRAND STREET NEWBURGH PROPERTY CO, LLC
(FSH NEWBURGH HOTEL, LLC) PROJECT**

A special meeting of City of Newburgh Industrial Development Agency (the "Agency") was convened in public session at City Hall, 83 Broadway, Newburgh, New York on February 16, 2022 at 6:00 o'clock p.m., local time.

Each of the members present participated in the meeting either in person or remotely pursuant to the provisions of Chapter 417 of the Laws of 2021, as amended on January 14, 2022.

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

PRESENT:

Austin DuBois	Chairperson
Marlon Ramos	Treasurer
Christina Amato	Secretary
Michael Kelly	Member
Adam Pollick	Member
Gregory Nato	Member

ABSENT:

Nancy Thomas	Vice Chairperson
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers	Executive Director
Robert J. McLaughlin, Esq. and Catherine D. Kemp, Esq.	Agency Counsel

The following resolution was offered by Michael Kelly, seconded by Gregory Nato, to wit:

Resolution No. 2022-02-16-02

RESOLUTION DETERMINING THAT THE ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF THE GRAND STREET NEWBURGH PROPERTY CO, LLC (FSH NEWBURGH HOTEL, LLC) PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT

WHEREAS, 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 industrial, manufacturing, warehousing, commercial, and research and recreation 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 liability company ("Grand Street") and FSH Newburgh Hotel LLC, a New York limited liability company ("FSH") or such other person(s) or entities as may be designated by the Company and agreed upon by the Agency (collectively, the "Company"), submitted a joint application (the "Application") to the Agency, which Application was amended by the Company on or about October 19, 2021, 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 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York at 6 NYCRR Part 617 (the "Regulations", and collectively with the SEQR Act, "SEQRA"), the Agency has been informed that (1) the City of Newburgh Planning Board (the "Planning Board") declared itself to act as "lead agency" for a "coordinated review" of a "Type I Action" with respect to the Project on September 21, 2021, (2) the Planning Board exercised due diligence in identifying other "involved agencies" known at that time; and (3) the Planning Board issued a Determination of Significance through the issuance of an Negative Declaration issued on October 20, 2020 and affirmed on October 19, 2021 (the "Negative Declaration"), attached hereto as Exhibit A, determining that the acquisition, reconstruction, renovation and installation of the Project Facility will not have any significant adverse environmental impacts; and

WHEREAS, the Agency is an "involved agency" with respect to the Project and the Agency now desires to concur in the determination by the Planning Board, as "lead agency" with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate whether the Agency has any information to suggest that the Planning Board was incorrect in determining that the Project will not have a "significant effect on the environment" pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project.

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

Section 1. The Agency has received copies of, and has reviewed, the submitted materials to the Lead Agency, including (i) the completed and filed Part 1 of the Full Environmental Assessment Form ("EAF") as completed by the Company (or an authorized entity on behalf of the Company, as Project sponsor), (ii) Parts 2 and 3 of the EAF as completed by the Planning Board, and (iii) the Negative Declaration (collectively, the "Reviewed Documents") and, based upon said Reviewed Documents, the Agency hereby ratifies and concurs in the designation of

the Planning Board as “lead agency” with respect to the Project under SEQRA (as such quoted term is defined in SEQRA).

Section 2. The Agency hereby determines that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to the SEQRA and, therefore, that an environmental impact statement need not be prepared with respect to the Project (as such quoted phrase is used in SEQRA).

Section 3. The Chairperson, any Vice Chairperson and/or Chief Executive Officer of the Agency is hereby directed to (A) send a copy of this Resolution to the chief executive officer of the City of Newburgh, New York; (B) send a copy of this Resolution to the Lead Agency; (C) send a copy of this Resolution to each entity identified by the Agency as an “involved agency” with respect to the Project (as such quoted term is used in SEQRA), (D) send a copy of this Resolution to the Company; (E) send a copy of this Resolution to each other person who has requested a copy of same, and (F) place a copy of this Resolution in the files of the Agency that are readily accessible to the public and made available on request.

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	Yea
Nancy Thomas	VOTING	Absent
Marlon Ramos	VOTING	Yea
Christina Amato	VOTING	Yea
Michael Kelly	VOTING	Yea
Adam Pollick	VOTING	Yea
Gregory Nato	VOTING	Yea

The foregoing Resolution was thereupon declared duly adopted.

CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2022-02-16-03

**APPROVING RESOLUTION
GRAND STREET NEWBURGH PROPERTY CO, LLC
(FSH NEWBURGH HOTEL, LLC) PROJECT**

A special meeting of City of Newburgh Industrial Development Agency (the "Agency") was convened in public session at City Hall, 83 Broadway, Newburgh, New York on February 16, 2022 at 6:00 o'clock p.m., local time.

Each of the members present participated in the meeting either in person or remotely pursuant to the provisions of Chapter 417 of the Laws of 2021, as amended on January 14, 2022.

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

PRESENT:

Austin DuBois	Chairperson
Marlon Ramos	Treasurer
Christina Amato	Secretary
Michael Kelly	Member
Adam Pollick	Member
Gregory Nato	Member

ABSENT:

Nancy Thomas	Vice Chairperson
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

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

The following resolution was offered by Gregory Nato, seconded by Christina Amato , to wit:

Resolution No. 2022-02-16-03

RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN
CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A

PROJECT AND PROJECT ASSIGNMENT FOR GRAND STREET
NEWBURGH PROPERTY CO, LLC (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”) 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 industrial, manufacturing, warehousing, commercial, and research and recreation 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, lease, improve, maintain, equip, and furnish one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed, leased, improved, maintained, equipped and furnished, and to convey said projects or to lease said projects; and

WHEREAS, on July 30, 2021, Grand Street Newburgh Property Co, LLC, a New York limited liability company (“Grand Street”) and FSH Newburgh Hotel LLC, a New York limited liability company (“FSH”) or such other person(s) or entities as may be designated by the Company and agreed upon by the Agency (collectively, the “Company”), submitted a joint application (the “Application”) to the Agency, which Application was amended by the Company on or about October 19, 2021, 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 “First 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, pursuant to the authorization contained in the First Public Hearing Resolution, the Chair and the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the “First 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 or 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 Facility is to be located, (B) caused notice of the First Public Hearing to be posted on October 31, 2021 on a public bulletin board located at the Newburgh City Hall located at 83 Broadway, City of Newburgh, Orange County, New York, (C) caused notice of the First Public Hearing to be published on October 26, 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 First Public Hearing on November 4, 2021 at 1:00 o'clock p.m., local time at offices of the City of Newburgh Industrial Development Agency located at City Hall, 83 Broadway, Orange County, Newburgh, New York, and (E) caused to be prepared a report of the First Public Hearing (the “First Public Hearing Report”) fairly summarizing the views presented at such First Public Hearing and caused a copy of said First Public Hearing Report to be made available to the members of the Agency and the public by posting the same to the Agency website; and

WHEREAS, by resolution adopted by the members of the Agency on November 15, 2021 (the “Second 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, pursuant to the authorization contained in the Second Public Hearing Resolution, the Chair and the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the “Second Public Hearing”, and together with the First Public Hearing, the “Public Hearings”) 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 or hand delivered on November 29, 2021 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Second Public Hearing to be posted on November 29, 2021 on a public bulletin board located at the Newburgh City Hall located at 83 Broadway, City of Newburgh, Orange County, New York, (C) caused notice of the Second Public Hearing to be published on December 2, 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 Second Public Hearing on December 20, 2021 at 6:00 o'clock p.m., local time at offices of the City of Newburgh Industrial Development Agency located at City Hall, 83 Broadway, Orange County, Newburgh, New York, and (E) caused to be prepared a report of the Second Public Hearing (the “Second Public Hearing Report”) fairly summarizing the views presented at such Second Public Hearing and caused a copy of said Second Public Hearing Report to be made available to the members of the Agency and the public by posting the same to the Agency website; and

WHEREAS, in connection with the Application, the Company made a request to the Agency (the “Pilot Request”) to deviate from the Agency’s 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 gave the chief executive officers of the County of Orange, and each city, town, village and school district in which the Project is located (collectively, the “Affected Tax Jurisdictions”) prior written notice (the “Deviation 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 were provided to the Affected Tax Jurisdictions in the Deviation Notice; and

WHEREAS, the Deviation Notice requested comments to be submitted at the Second Public Hearing; and

WHEREAS, the Second Public Hearing was kept open by the hearing officer for the submission of additional written public comments until the consideration of an approving resolution for the Project; and

WHEREAS, pursuant to 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York at 6 NYCRR Part 617 (the “Regulations”, and collectively with the SEQR Act, “SEQRA”), the Agency has been informed that (1) the City of Newburgh Planning Board (the “Planning Board”) declared itself to act as “lead agency” for a “coordinated review” of a “Type I Action” with respect to the Project on September 21, 2021, (2) the Planning Board exercised due diligence in identifying other “involved agencies” known at that time; and (3) the Planning Board issued a Determination of Significance through the issuance of an Negative Declaration issued on October 20, 2020 and affirmed on October 19, 2021 (the “Negative Declaration”), attached hereto as Exhibit A, determining that the acquisition, reconstruction, renovation and installation of the Project Facility will not have any significant adverse environmental impacts; and

WHEREAS, the Agency determined by Resolution dated February 16, 2022 that (i) the Agency is an “involved agency” with respect to the Project, (ii) the Agency (1) concurred in the determination by the Planning Board, as “lead agency” with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and (2) determined that it had no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA and (iii) that by reason of the

foregoing, the Agency determined that no environmental impact statement need be prepared with respect to the Project; and

WHEREAS, to aid the Agency in determining whether the Project qualifies for Financial Assistance as a commercial project within the meaning of the Act, the Agency has reviewed the following (collectively, the “Project Qualification Documents”): (A) the Application; (B) the published Cost Benefit Analysis dated October 29, 2021 and prepared by the MRB Group at the request of the Agency and which was discussed with the public at the Second Public Hearing; (C) the published Test of Reasonableness dated October 29, 2021 and prepared by the MRB Group at the request of the Agency and which was discussed with the public at the Second Public Hearing; (D) the transcripts of the Public Hearings, respectively, and the public comments in support expressed thereat; and (E) copies of correspondence from governmental officials supporting the commercial/economic impacts of the Project (the “Local Support”); and

WHEREAS, pursuant to the Cost Benefit Analysis, the Project is projected to (A) create approximately 110 direct and indirect construction jobs at the Project Facility during the approximately 24 month construction period; (B) create approximately 74 direct and indirect ongoing jobs at the Project Facility; and (C) projected to generate annual sales tax, hotel occupancy tax and real property tax revenue to the City of Newburgh and Orange County of more than \$9 million annually when the Project Facility becomes operational; and

WHEREAS, pursuant to the Test of Reasonableness, the requested Financial Assistance is reasonable and will provide the Company (A) a reasonable, risk-adjusted internal rate of return; and (B) permit an acceptable debt service ratio coverage for the Project for financing purposes; and

WHEREAS, during the Public Hearings, (A) approximately 42 public officials and members of the public spoke and provided their comments on the Project; and (B) more than 60 letters, petitions and/or signatures in support and in opposition were received by the Agency and made a part of the public record of such Public Hearings; and

WHEREAS, pursuant to Section 862(2)(b) of the Act, the Agency would be authorized to provide financial assistance in respect of the Project provided that the obligation of the Agency to proceed with the Project was subject to certain conditions, including, following compliance with the procedural requirements of Section 859-a of the Act, a finding by the Agency that the Project would preserve permanent, private sector jobs in the State of New York or increase the overall number of permanent, private sector jobs in the State of New York; and

WHEREAS, having complied with the requirements of SEQRA and Section 859-a of the Act with respect to the Project, the Agency now desires, pursuant to Section 862(2)(c) of the Act, to make its final findings with respect to the Project and its final determination whether to proceed with the Project; and

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

Section 1. All action taken by the Chairperson and/or any Member or staff of the Agency with respect to each of the Public Hearings with respect to the Project and the requested Financial Assistance is hereby ratified and confirmed.

Section 2. All actions taken by the Chairperson and/or any Member or staff of the Agency with respect to the Deviation Notice with respect to the Project and the Pilot Request is hereby ratified and confirmed.

Section 3. The law firm of Whiteman Osterman & Hanna LLP is hereby appointed Agency Counsel to the Agency with respect to all matters in connection with the Project. Agency Counsel for the Agency is hereby authorized, at the expense of the Company and Assignee, to work with the Company and Assignee, counsel to the Company and Assignee, and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution. Agency Counsel has prepared and submitted an initial draft of the Agency Documents to staff of the Agency.

Section 4. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;

(B) The Project constitutes a “project,” as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of the City of Newburgh, Orange County, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$29,942,710.00;

(E) The completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York;

(F) The Project Facility does not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project, and accordingly, the Project is not prohibited by the provisions of Section 862(2)(a) of the Act, and (2) accordingly the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act;

(G) The Agency has determined: (i) the Project is located in a “highly distressed area” (as defined in the Act); (ii) (1) the Project Facility will provide necessary infrastructure and other opportunities for area employers and businesses, (2) the completion of the Project Facility will have a positive impact upon the creation, retention and expansion of employment opportunities in

the City of Newburgh and in the State of New York; (3) the completion of the Project will assist in promoting employment opportunities and assist in preventing economic deterioration in the City of Newburgh and in the State of New York; (4) the acquisition, construction and installation of the Project Facility is essential to the creation of new employment opportunities and is essential to the prevention of economic deterioration of businesses and neighborhoods located in the City of Newburgh; (5) the undertaking of the Project will serve the public purposes of the Act by preserving and creating permanent private sector jobs in the State of New York; (6) the Project will promote tourism for the City of Newburgh by allowing visitors easy access to Washington's Headquarters; (7) the Project will adaptively reuse for economic purposes three vacant and deteriorating commercial structures in the City of Newburgh; and (8) the granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the general prosperity and economic welfare of the citizens of the City of Newburgh, Orange County, New York and the State of New York and improve their standard of living, by providing a commercial project, thereby serving the public purposes of the Act;

(H) The Agency has reviewed all information it has received relating to the Project including without limitation the Application and related supplemental materials submitted by the Company, the First Public Hearing Report, the Second Public Hearing Report, and the written comments and opinions submitted to the Agency by members of the public and various public entities and public officials and has fully considered all comments contained therein. After consideration of such information, documents, comments and opinions, the Agency finds as follows:

- (i) The Agency Documents will require that the Company, or its successors or assigns, comply with any requirements of the City Planning Board and Department of Buildings prior to the receipt of any Financial Assistance; and
- (ii) Special Districts will not be affected by the PILOT Request; and
- (iii) In the event the Company cancels or withdraws from the Payment in Lieu of Tax Agreement prior to its termination as described in the closing documents with the Agency, the Uniform Project Benefits Agreement will provide for the recapture of the real property taxes which would otherwise have been due in consideration of the Project; and
- (iv) Public officials for the State of New York and the City of Newburgh during each of the Public Hearings stated their support for the Project; and
- (v) By reason of the Pilot Request, the Agency reviewed the Cost Benefit Analysis and the Test of Reasonableness Report prepared by the Agency's consultant. The Test of Reasonableness Report concludes that the requested Financial Assistance is reasonable and will provide the Company (A) a reasonable, risk-adjusted internal rate of return; and (B) permit an

Section 7. The Payment in Lieu of Tax Agreement shall provide for PILOT Payments based on the following percentage exemptions:

<u>TAX YEAR</u>	<u>Percentage of Exemption*</u>
1	90%
2	90%
3	90%
4	90%
5	90%
6	90%
7	80%
8	70%
9	60%
10	50%
11	33.33%
12	16.67%
13	0%

* On future assessments related to improvements to be made as part of the Project.

Section 8. The Chairperson (or Vice Chairperson) of the Agency, with the assistance of Agency Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 9. (A) The Chairperson, the Vice Chairperson, or the Executive Director of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, 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 the forms thereof as the Chairperson (or Vice Chairperson) shall approve, the execution thereof by the Chairperson (or Vice Chairperson) to constitute conclusive evidence of such approval.

(B) The Chairperson (or Vice Chairperson) of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 10. 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 Agency Documents, 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 Agency Documents binding upon the Agency.

Section 11. This Resolution shall take effect immediately.

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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	Yea
Nancy Thomas	VOTING	Absent
Marlon Ramos	VOTING	Yea
Christina Amato	VOTING	Yea
Michael Kelly	VOTING	Yea
Adam Pollick	VOTING	Yea
Gregory Nato	VOTING	Yea

The foregoing Resolution was thereupon declared duly adopted.

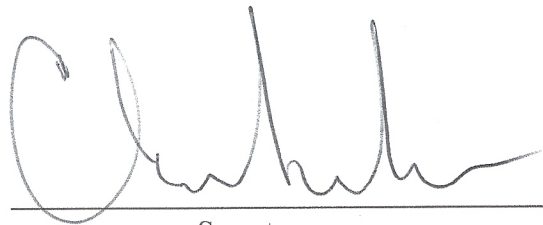
STATE OF NEW YORK)
) SS.:
COUNTY OF ORANGE)

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 February 16, 2022 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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 13 day of February 2022.



Secretary

(SEAL)

EXHIBIT A

DESCRIPTION OF THE EXPECTED PUBLIC BENEFITS

In the discussions had between the Project Beneficiary (Grand Street Newburgh Property Co., LLC and FSH Newburgh Hotel, LLC), and the Agency with respect to the Project Beneficiary’s request for Financial Assistance (including, without limitation, the Pilot Request) from the Agency with respect to the Project, the Project Beneficiary has represented to the Agency that the Project is expected to provide the following benefits to the Agency and/or to the residents of the City of Newburgh, Orange County, New York (the “Public Benefits”):

Description of Benefit		Applicable to Project (indicate Yes or No)		Expected Benefit
1.	Retention of existing jobs	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Zero (0) full time equivalent existing jobs at the Project Facility (vacant or abandoned land).
2.	Creation of new permanent jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Sixty-one (61) full time or part time private sector jobs at the Project Facility and up to thirteen (13) indirect full time or part time private sector jobs at the Project Facility within six (6) months of completion of the Project.
3.	Estimated of tax exemptions	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Approximately (i) \$433,416 in sales tax exemption; (ii) \$4,510,525 in real estate tax exemption; and (iii) \$91,500 in mortgage recording tax exemption
4.	Creation of construction employment for local labor (i.e., labor resident in the area comprised of Hudson Valley Region as described in Agency Local Labor Policy)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Average of sixty seven (67) direct and forty three (43) indirect full time equivalent construction jobs at the Project Facility for local labor during an estimated construction period of two (2) years, commencing within three months of the date of title to the Project Facility is delivered to the Company/ Project Beneficiary. The Company agrees that the Project will comply with the Agency’s Local Labor Policy. In connection with Labor Policy, the Agency will contract with an independent consultant to review the Company’s compliance with

				the Labor Policy and the Company will establish an escrow account with the Agency for the purposes of paying the costs and fees of such independent consultant.
5.	Private sector investment	X Yes	<input type="checkbox"/> No	\$29,942,710.00 invested at the Project Facility within two (2) years of the date of the Approving Resolution for the Project.
6.	Creation of new revenues for local taxing jurisdictions	X Yes	<input type="checkbox"/> No	\$1,756,179 of new revenues for local taxing jurisdictions and special districts with respect to the Project Facility within two (2) years of the date of completion of Project operations by the Company/Project Beneficiary.
7.	Attract customers from outside the Economic Development Region	X Yes	<input type="checkbox"/> No	Project is proximate to several tourism destinations; the Project Facility will allow visitors a place to stay in the City.
8.	Adaptive reuse of an existing deteriorating structure.	X Yes	<input type="checkbox"/> No	Project rehabilitates three (3) historic structures which have each been vacant and deteriorating for decades.
9.	Regional wealth creation (majority of sales/customers from outside of the City)	X Yes	<input type="checkbox"/> No	The Project will primarily promote visitors from outside the City to spend time in the City.
10.	Alignment with local planning and development efforts	X Yes	<input type="checkbox"/> No	The City Planning Department has approved the Project.
11.	Promotes walkable community areas	X Yes	<input type="checkbox"/> No	Project will encourage daily/multiple day visitors; Project intended to promote local use through restaurants, entertainment and rooftop facility.
12.	Elimination or reduction in blight	X Yes	<input type="checkbox"/> No	Current buildings are vacant and deteriorating.
13.	City official support	X Yes	<input type="checkbox"/> No	City Mayor and members of the City Council are supportive of the Project.
14.	Historic building designation	X Yes	<input type="checkbox"/> No	County historian has discussed historic nature of the three structures.
15.	Brownfield remediation	<input type="checkbox"/> Yes	X No	Not applicable.

EXHIBIT B

DESCRIPTION OF THE RECAPTURE EVENTS

In connection with the Project and the granting of the Financial Assistance, the Agency and the Project Beneficiary/Company agree that the following shall constitute recapture events with respect to the Project and the granting of the Financial Assistance:

1.	Failure of the Project Beneficiary to document to the satisfaction of the Agency the commencement of the acquisition, construction, reconstruction, renovation, and/or installation of the Project Facility within 12 months of the date of the Approving Resolution for the Project.
2.	Failure of the Project Beneficiary to document to the satisfaction of the Agency the completion of the acquisition, construction, reconstruction, renovation, and/or installation of the Project Facility within 24 months of the commencement of construction.
3.	Failure by the Project Beneficiary to document to the satisfaction of the Agency the creation of at least 80% of the average full time equivalent local labor construction jobs at the Project Facility during the construction period described on Exhibit A .
4.	Failure by the Project Beneficiary to document to the satisfaction of the Agency the creation of at least 80% of the full time equivalent new jobs at the Project Facility listed on Exhibit A .
5.	Failure by the Project beneficiary to develop a program designed to focus job opportunities for residents from the City of Newburgh and Orange County.
6.	Failure by the Project Beneficiary to document to the satisfaction of the Agency that at least 80% of the private sector investment described on Exhibit A occurred with respect to the Project Facility within 2 years of the date of the Approving Resolution for the Project.
7.	Failure by the Project Beneficiary to document to the satisfaction of the Agency that at least 80% of the new revenues for local taxing jurisdictions and special districts described on Exhibit A attached hereto were created within 5 years of the date of completion of the Project by the Project Beneficiary.
8.	Failure by the Project Beneficiary to document to the satisfaction of the Agency that the Project has substantially complied with the requirements of the Agency SEQR Resolution.
9.	Liquidation of substantially all of the Project Beneficiary's (or its members or related party) operating assets at the Project Facility and/or cessation of substantially all of the Project Beneficiary's operations at the Project Facility during the initial 10 years after completion of the Project.
10.	Relocation of all or substantially all of Project Beneficiary's operations at the Project Facility to another site, or the sale, lease or other disposition of all or substantially all of the Project Facility at any time.
11.	Failure by the Project Beneficiary to comply with the annual reporting requirements or to provide the Agency with requested information.
12.	Sublease or assignment of all or part of the Project Facility in violation of any Project Facility Agreement.
13.	A change in the use of the Project Facility, other than as described on Exhibit A and other directly and indirectly related uses, in violation of any Project Facility Agreement.

14.	Failure by the Project Beneficiary to use best efforts to establish an intern and training program with Orange County Community College or other workforce development or training program serving Newburgh residents for hospitality and food/beverage industry and jobs within 24 months of commencement of construction.
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