

CITY OF NEWBURGH  
INDUSTRIAL DEVELOPMENT AGENCY (IDA)  
MINUTES OF BOARD MEETING  
September 19, 2022

Present

Board Members: Marlon Ramos, Chairman  
Christina Amato, 1st Vice Chair  
Michael Kelly, 2<sup>nd</sup> Vice Chair  
Gregory Nato, Secretary  
Theresa Priester  
Robin Yanyiah Pearson

Excused: Adam Pollick, Treasurer

Staff: Cherisse Vickers, Executive Director  
Counsel: Robert J. McLaughlin, Whiteman Osterman & Hanna LLP

Guests: 700 South Street: Charles Bazydlo, Brian Sekel  
The Foundry Phase 3: Andrew Schrijver, Michelle Rider Esq,  
Bob Szeli

1. **Roll Call**: Marlon Ramos, Chair
2. **Proof of Meeting Notice**: Marlon Ramos, Chair  
Notice Accepted.
3. **Reading and Approval of Minutes of the Previous Meeting**

Minutes from the regular board meeting of June 20, 2022 and the special board meeting of July 14, 2022 were distributed to the board via e-mail.

Motion to approve June 20, 2022 minutes as presented:

Mr. Pollick: Motion to approve the minutes  
Mr. Nato: Motion seconded  
**VOTE: Unanimously adopted.**

Motion to approve July 14, 2022 minutes as presented:

Mr. Pollick: Motion to approve the minutes  
Mr. Nato: Motion seconded  
**VOTE: Unanimously adopted.**

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

Chairman Marlon Ramos presented the June, July and August Treasurer's Report to the board.

On a motion made by Yanyiah Pearson and seconded by Gregory Nato, the board unanimously approved the June, July, and August 2022 Treasurer's Reports.

On a motion made by Gregory Nato and seconded by Mike Kelly, payment of the bills presented for June 2022 (check numbers 1055-1061) and August 2022 (check numbers 1058, 1062-1068) were unanimously approved. Note: As acknowledged during this discussion, there were no expense checks created during the month of July.

#### 5. **Chairman's Report**

Presented by Marlon Ramos, Chair. The first important issue Mr. Ramos discussed was based on a newspaper article (updated in 2022) that described how a local IDA moved to recapture property tax breaks against Amazon because new jobs were not created as promised in their contract. Mr. Ramos felt, and other board members agreed, that this was important to discuss because it showed that IDA's do not just simply give out tax benefits. They also have the ability to recapture if agreements are not followed, which prevents the community residents from benefiting from the project, as the IDA had intended. The City of Newburgh Industrial Development Agency is in a position to, and has been, beneficial for the city and will make tough choices, such as recapture, if the interests of the community are not being served.

The second item brought to the agenda, for informational and awareness purposes, is Resolution 35-2022 passed by the Newburgh City Council. The resolution states that only the City Council has the authority to appoint members to the Industrial Development Agency board and most other city boards. Discussed was the fact that this takes away the sovereignty of our board who have all gotten to know our mission and projects intimately, and on a volunteer basis, simply because they want to make our city better. There does not seem to be any rule structure in place that would permit a dialogue between the City of Newburgh Industrial Agency and the Newburgh City Council to make the best and most appropriate choices for board appointments.

#### 6. **Counsel's Report**

104 Washington St: Update. Closing on September 21, 2022.

Scobie Drive: Update. Moving along, slowly but surely. Amendment pushing the due diligence period ahead to the end of 2022, was approved. DEC had conceded that the worst of the pollution is not on city property. NOTE: A triangle parcel carved out of the whole by a previous developer was never formally deeded to the Industrial Development Agency along with the current property. City attorney's office has been informed about the agency's lack of power to transfer it and the fact that this parcel will not be covered under the next agreement. It is, however, included in the current Brownfield Cleanup Agreement. The BCP is now opened and the site is approximately

1.5 years away from being able to qualify for a permit.

FSH Newburgh Hotel: Applicant has a delay with Orange County that will hopefully be resolved by Oct 14. Draft documents sent for review.

207 Lake Street: Code violation rectified. City of Newburgh Industrial Development Agency named as a party (because a bond was issued years ago). There is a court date and counsel will be attending.

## 7. **Executive Director's Report**

120 Grand/City Club: The Executive Director, Ms. Vickers has already been given the approval to schedule a public hearing. October 17, the day of the next agency board meeting, will likely be the scheduled day for that hearing. All board members and the public will be notified in advance. Then the matter will be up for a vote (based on public comments and considerations) by board members at the agency's November 2022 meeting.

Amory Sidewalk: Update: July 2022 Special Meeting held. Contractor waiting for permits. Agency counsel (Jacobowitz) is aware.

191 Washington: Developers are amending their application. Agency will then send it to a consultant, after which a board vote will need be taken to approve scheduling a public hearing. Also any prior reports viewed by the board on this matter will need to be amended.

2021 Audit: There were multiple issues with this audit. This caused our annual financial reporting to New York State to be incorrect. After much trouble communicating with the auditors and getting proper responses, the audit was finally reissued, with specific guidelines from our financial department. Ms. Vickers will review the new audit with the agency's Financial Administrator, to confirm the validity of the audit figures and categories, before re-presenting to the board.

## 8. **New Business**

700 South Street – Warehouse Project Presentation – National Builders South and their counsel presented and introduced the scope of their project and its variables. Discussion between board and developers ensued. Developer may submit an application to the agency in the future.

### Resolution No. 2022-09-19-01 – Foundry Phase 3 Sublease Approval

Discussion: The Developer has advised the Agency that certain changes in its business structure are being proposed; and they have advised the Agency that it has received a commitment for a construction loan for the Project from Webster Bank, National Association for up to \$15,332,000.00; and need certain additional amendments to the Basic Documents (as defined in the Approving Resolution).

The form of Master Lease Agreement presented before Board at this meeting was consented to in furtherance of the Project in accordance with the terms and provisions of the Lease Agreement. The changes to the business structure of the Company, as described to the Agency at this meeting, were also consented to.

The Agency consented to the following documents as presented at this meeting: Amended and Restated Lease Agreement, Amended and Restated Payment In Lieu of Tax Payment Agreement, Memorandum of Amended and Restated Lease Agreement, and such related and necessary documents in connection with such amendments as determined by Agency Counsel.

A motion to approve Resolution No. 2022-09-19-01 was made by Gregory Nato and seconded by Robin Yanyiah Pearson. The voting was unanimous. Adam Pollick was absent.

#### Resolution No. 2022-09-19-02 - Authorization to Engage A New Outside Auditor

Discussion: None

The audit/finance committee made their recommendation to engage PKF O'Conner Davies as the new agency auditor. A motion to approve Resolution No. 2022-06-20-02 was made by Gregory Nato and seconded by R. Yanyiah Pearson. The voting was unanimous. Christina Amato abstained. Adam Pollick was absent.

#### Agency Logo RFP – Committee Selection

Discussion: New RFP will be issued with new parameters such as, only City of Newburgh residents can apply. Focus will be on promoting this new RFP locally.

9. **Old Business:** None

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 Adam Pollick. Unanimously passed.



**CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY  
TREASURER'S REPORT FOR SEPT 2022 MEETING**

**OPERATING Account #2847**

Opening Balance	As of Aug 1, 2022		<b>\$328,559.48</b>	<b>X = Cleared Bank Acct</b>
from Quickbooks				
Deposits	Payor		Amount	Remarks
	8/2/2022 AT&T		3,767.28	Cell tower X
	8/2/2022 Central Hudson		2,091.56	Cell tower X
	8/5/2022 T-Mobile		4,930.65	Cell tower X
	8/5/2022 T-Mobile		2,139.33	Cell tower X
	<b>TOTAL DEPOSITS 2847</b>		<b><u>\$12,928.82</u></b>	
Disbursements				
Check				
Number	Check Date	Payee	Amount	Remarks
1058	8/1/2022	Whiteman, Osterman, & Hanna, LLP	1075.00	Inv #580613 Checks out of sequence
1062	8/3/2022	Philadelphia Insurance Companies	1520.00	Inv #2004686795
1063	8/8/2022	Michele Gruber	29.60	Reimbursements
1064	8/11/2022	Jacobowitz & Gubits LLP	317.81	Inv #300657
1065	8/1/2022	Cherisse Vickers	48.63	Reimbursements
1066	8/25/2022	Standard Life Ins. Co. of NY	437.00	Inv # Disb/PFL for Payroll
1067	8/25/2022	MRB Group	3630.00	Inv #45066 191 Washington St
1068	8/25/2022	Storage Boss	1080.00	Unit #3011
	<b>TOTAL CHECKS 2847</b>		<b><u>\$8,138.04</u></b>	
Closing Balance	As of Aug 31, 2022		<b><u>\$333,350.26</u></b>	<b>Op Acct #2847</b>
from Quickbooks				

**PAYROLL Acct #8243**

Opening Balance	As of Aug 1, 2022	\$49,495.28
Credit	Trnsfr from Op Acct to Fund Payroll	0.00
Debit	8/2/2022 Payroll Fees month of July 2022	55.14
Debit	8/11/2022 Net Pay (part of gross wages)	2616.50
Debit	8/11/2022 Employer Payroll Tax + Employee WH (part of gross wages)	948.26
Debit	8/25/2022 Net Pay (part of gross wages)	2456.32
Debit	8/25/2022 Employer Payroll Tax + Employee WH (part of gross wages)	872.51

Closing Balance	As of Aug 31, 2022	<u><u>\$42,546.55</u></u>
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**Payroll Acct #2843****APPLICATIONS FUND Account #2855**

Opening Balance	As of Aug 1, 2022	\$14,137.50
Closing Balance	As of Aug 31, 2022	<u><u>\$14,137.50</u></u>

**App Fund Acct #2855****LESSOR/TENANT Account #2863**

Opening Balance	As of Aug 1, 2022	\$2,400.00
Closing Balance	As of Aug 31, 2022	<u><u>\$2,400.00</u></u>

**Lessor Acct #2863****MONEY MARKET Account #2871**

Opening Balance	As of Aug 1, 2022	\$751,396.07
Interest credit		159.54
Closing Balance	As of Aug 31, 2022	<u><u>\$751,555.61</u></u>

**MM Acct #2871**

**CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY  
TREASURER'S REPORT FOR THE AUGUST 2022 MEETING**

**OPERATING Account #2847**

Opening Balance	As of July 1, 2022	<b>\$315,646.48</b>	<b>X = Cleared Bank Acct</b>
	from Quickbooks		

Deposits	Payor	Amount	Remarks
	<b>7/1/2022</b> AT&T	3,767.28	<b>Cell tower</b> X
	<b>7/5/2022</b> Central Hudson	2,091.56	<b>Cell tower</b> X
	<b>7/12/2022</b> T-Mobile	4,914.83	<b>Cell tower</b> X
	<b>7/12/2022</b> T-Mobile	2,139.33	<b>Cell tower</b> X
	TOTAL	<b>\$12,913.00</b>	

Disbursements			
Check			
Number	Check Date	Payee	Amount
		<b>NO CHECKS WRITTEN IN JULY 2022</b>	
	7/0/2022		Inv #
	7/0/2022		Inv #
	7/0/2022		Inv #
	7/0/2022		Inv#
	7/0/2022		Inv #
	7/0/2022		Inv #
		TOTAL	<b>\$0.00</b>

Closing Balance	As of July 31, 2022	<u><u>\$328,559.48</u></u>	<b>Op Acct #2847</b>
from Quickbooks			

**PAYROLL Acct #8243**

Opening Balance	As of July 1, 2022	\$56,204.80
Credit	Trnsfr from Op Acct to Fund Payroll	0.00
Credit	7/7/2022 Payroll Tax Adjustment	8.02
Debit	7/5/2022 Payroll Fees month of June 2022	55.14
Debit	7/14/2022 Net Pay (part of gross wages)	2433.42
Debit	7/14/2022 Employer Payroll Tax + Employee WH (part of gross wages)	933.86
Debit	7/29/2022 Net Pay (part of gross wages)	2433.42
Debit	7/29/2022 Employer Payroll Tax + Employee WH (part of gross wages)	861.70

Closing Balance	As of July 31, 2022	<u><u>\$49,495.28</u></u>	<b>Payroll Acct #2843</b>
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**APPLICATIONS FUND Account #2855**

Opening Balance	As of July 1, 2022	<u>\$14,137.50</u>
Closing Balance	As of July 31, 2022	<u><u>\$14,137.50</u></u>

**App Fund Acct #2855**

**LESSOR/TENANT Account #2863**

Opening Balance	As of July 1, 2022	<u>\$2,400.00</u>
Closing Balance	As of July 31, 2022	<u><u>\$2,400.00</u></u>

**Lessor Acct #2863**

**MONEY MARKET Account #2871**

Opening Balance	As of July 1, 2022	\$751,236.56
Interest credit		159.51
Closing Balance	As of July 31, 2022	<u><u>\$751,396.07</u></u>

**MM Acct #2871**

**CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY  
TREASURER'S REPORT FOR THE JULY 2022 MEETING**

**OPERATING Account #2847**

Opening Balance	As of June 1, 2022	<b>\$314,121.39</b>	<b>X = Cleared Bank Acct</b>
from Quickbooks			

Deposits	Payor	Amount	Remarks
	<b>6/1/2022</b> AT&T	3,657.55	<b>Cell tower</b> X
	<b>6/2/2022</b> Central Hudson	2,091.56	<b>Cell tower</b> X
	<b>6/13/2022</b> T-Mobile	4,914.83	<b>Cell tower</b> X
	<b>6/13/2022</b> T-Mobile	2,139.33	<b>Cell tower</b> X
	TOTAL	<b>\$12,803.27</b>	

Disbursements  
Check

Number	Check Date	Payee	Amount	Remarks
<b>1055</b>	6/14/2022	Jacobowitz, & Gubits, LLP	378.03	Inv #298996 X
			405.50	Inv #299572
			337.50	Inv #299588
			<b>1121.03</b>	<b>TOTAL CK 1055</b>
<b>1056</b>	6/14/2022	Vision Hudson Valley	100.00	Inv #2022-1322 Conf Tix
<b>1057</b>	6/14/2022	Whiteman, Osterman & Hanna, LLP	2955.00	Inv #569730 X
			1265.14	Inv #569731
			<b>4220.14</b>	<b>TOTAL CK1057</b>

<b>1058</b>	6/0/2022	CHECK OUT OF SEQUENCE	0.00	
<b>1059</b>	6/24/2022	Jacobowitz, & Gubits, LLP	60.00	Inv #300367
	6/24/2022		1637.78	Inv #300368
				<b>1697.78 TOTAL CK1059</b>
<b>1060</b>	6/24/2022	MRB Group	105.00	Inv #4268
<b>1061</b>	6/24/2022	Whiteman, Osterman & Hanna, LLP	1486.73	
			2547.50	<b>4034.23 TOTAL CK1061</b>
		TOTAL	<u><b>\$11,278.18</b></u>	
Closing Balance	As of June 30, 2022		<u><u><b>\$315,646.48</b></u></u>	<b>Op Acct #2847</b>
from Quickbooks				
<b>PAYROLL Acct #8243</b>				
Opening Balance	As of June 1, 2022		\$67,705.36	
Credit		Trnsfr from Op Acct to Fund Payroll	0.00	
Debit	6/1/2022	Net Pay (part of gross wages)	2707.31	
Debit	6/1/2022	Employer Payroll Tax + Employee WH (part of gross wages)	1115.14	
Debit	6/2/2022	Payroll Fees month of May 2022	55.14	
Debit	6/16/2022	Net Pay (part of gross wages)	2752.33	
Debit	6/16/2022	Employer Payroll Tax + Employee WH (part of gross wages)	1133.50	
Debit	6/30/2022	Net Pay (part of gross wages)	2662.01	
Debit	6/30/2022	Employer Payroll Tax + Employee WH (part of gross wages)	1075.13	
Closing Balance	As of June 30, 2022		<u><u><b>\$56,204.80</b></u></u>	<b>Payroll Acct #2843</b>
<b>APPLICATIONS FUND Account #2855</b>				
Opening Balance	As of June 1, 2022		<u><b>\$14,137.50</b></u>	
Closing Balance	As of June 30, 2022		<u><u><b>\$14,137.50</b></u></u>	<b>App Fund Acct #2855</b>

**LESSOR/TENANT Account #2863**

Opening Balance	As of June 1, 2022	<u>\$2,400.00</u>	
Closing Balance	As of June 30, 2022	<u><u>\$2,400.00</u></u>	<b>Lessor Acct #2863</b>

**MONEY MARKET Account #2871**

Opening Balance	As of June 1, 2022	\$751,082.23	
Interest credit		<u>154.33</u>	
Closing Balance	As of June 30, 2022	<u><u>\$751,236.56</u></u>	<b>MM Acct #2871</b>



# The Foundry Phase III

Construction Loan & HTC Investor Closing Status Report

Monday, September 19, 2022





# Agenda

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1. Construction Status
2. Financial Sources/Capital Stack Timeline
3. Historic Tax Credit Overview & Mechanics
4. Foundry HTC Investor
5. Foundry Phase 3 - New Structure
6. Conclusion

# Existing Phase 1 / 2 - Improvements

The Foundry Phase 3 LP and AHC Construction have worked hand in hand with the Condominium Board to utilize funds from the Bankruptcy judgement against the previous Developer to plan and effectuate necessary capital improvements:

## Work Completed

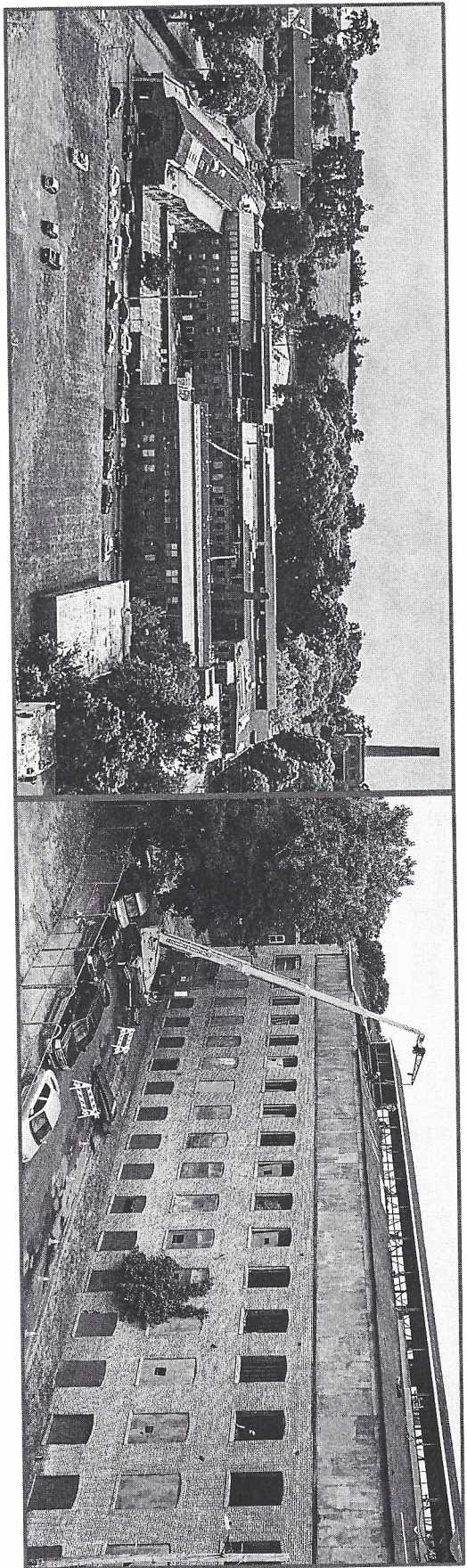
1. New Roofing System
  - a. Insulation + Rubber Membrane
  - b. New Skylights
  - c. Cornice/Siding and Trim
  - d. Gutters & Leaders
2. New HVAC System
  - a. Replaced all unit and building condensers and coils
3. Sprinkler System Clearance
  - a. Inspect and Replaced all deficient Sprinkler Heads
  - b. Repair all leaks and equip.
  - c. Passed Annual System Inspection

## Fall 2022 - Spring 2023

1. Parking Garage
  - a. Repair Structural Steel
  - b. Waterproof Parking Deck
  - c. Repair CMU Wall
2. New Intercom/Security System
3. Masonry Repointing
4. Common Area/Hallway Update
  - a. New Floors
  - b. New Lighting
  - c. New Paint
5. Interior Courtyard Landscaping
  - a. Storm-Water Mitigation
  - b. Trees/Plantings
  - c. Patios/Common Areas



# Foundry: Phase 3 - Construction Progress



March 2022 - Sept. 2022 : Construction is 25% Complete Overall

75% or Greater

- A. Metal Work - 75% Done
- B. Roofing System - 65% Done

50% or Greater

- A. Woodwork/Framing - 50% Done
- B. Site Work - 50% Done
- C. Therm./Moist. Protect. - 50% Done

15% or Greater

- A. Masonry - 15% Done
- B. Concrete - 25% Done
- C. Elevator - 30% Done
- D. Plumb. & Mech. - 20% Done
- F. Electrical - 18% Done



# Financial Sources/Capital Stack Timeline

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Acquisition/Pre-Dev. (May 2021 - Sept. 2022)	Construction (Oct. 2022 - Sept. 2023)	Stabilization (Nov. 2023 - May 2024)
<ul style="list-style-type: none"> <li>1. Partner Equity: 1.85 MM</li> <li>2. Acquisition Loan: 2.23 MM</li> <li>3. Pre-Dev. Loan: 2.00 MM</li> </ul>	<ul style="list-style-type: none"> <li>1. Partner Equity: 1.85 MM</li> <li>2. Construction Loan: 15.1 MM</li> <li>3. HTC Equity: 1.8 MM</li> <li>4. HTC Bridge Loan: 4.5 MM</li> </ul>	<ul style="list-style-type: none"> <li>1. Partner Equity: 1.85 MM</li> <li>2. Permanent Loan: 15.55 MM</li> <li>3. Remaining HTC Equity: 6.5 MM</li> </ul>
<p>Total: 6.07 MM</p>	<p>Total: 23.25 MM</p>	<p>Total: 23.5 MM</p>

# Historic Tax Credit Overview

- The Application for IDA assistance included the plan to seek and obtain Historic Tax Credits (HTCs) for this project.
- Historic Tax Credits are calculated at a percentage of Qualified Rehabilitation Expenditures (QREs).
- Qualifications/Requirements:
  - QREs includes renovation hard costs and associated soft costs. It does not include acquisition, site work, furniture, and anything not permanently affixed to the building.
  - Structure/Project must be individually designated as a historic structure or as a contributing member of a historic district.
  - Development costs must exceed acquisition cost basis.
  - Rehabilitation must be certified for compliance with the Secretary's Standards for Rehabilitation subject to a 3-Part review by State Historic Preservation Office and National Park Service.



# Historic Tax Credit Mechanics

- HTCs cannot be “sold” to a 3rd party investor and must be allocated through ownership in the project entity or in a pass-through minority owner of the project entity. When using the pass-through structure (as here), the HTC Investor partners with the project entity in creating a “Master Tenant” entity which will own some percentage of the equity of the project entity. Tax credits are then allocated to the Master Tenant entity, which also serves as the tenant in a Master Lease arrangement for the duration of the HTC investment term.
- The HTC Investor negotiates a exit plan which, as here, is typically a minimum of five (5) years following the placed-in-service date for the project.
- The tax credit is earned when a building is placed-in-service (typically signified by a certificate of occupancy). They can be claimed beginning this tax-year, carried forward 20 years, or carried backward one year.
- An investor’s equity contribution is based upon the HTCs they are allocated at a negotiated price in an open market. Typically, the investor contributes a portion of their equity in phases during construction with the final balance due after project completion.
- The project entity typically borrows against the tax credit investment via Bridge Loan which is repaid with the capital contributions of the HTC Investor.



# Foundry HTC Investor: J.P. Morgan Chase

## Foundry HTC Investment

### [check math]

Projected QRES: \$24,685,843

Federal HTC (20%): \$4,464,446

Federal Credit to Capital: \$0.86

Total Equity: \$3,801,029

State HTC (20%) \$4,464,446

State Credit to Capital: \$0.75

Total Equity: \$3,314,851

Total HTC: \$7,115,880

## Investment Timeline

J.P. Morgan Chase Community

Investments will provide the following equity in stages:

First (25%): 1,778,970 → Construct. Loan

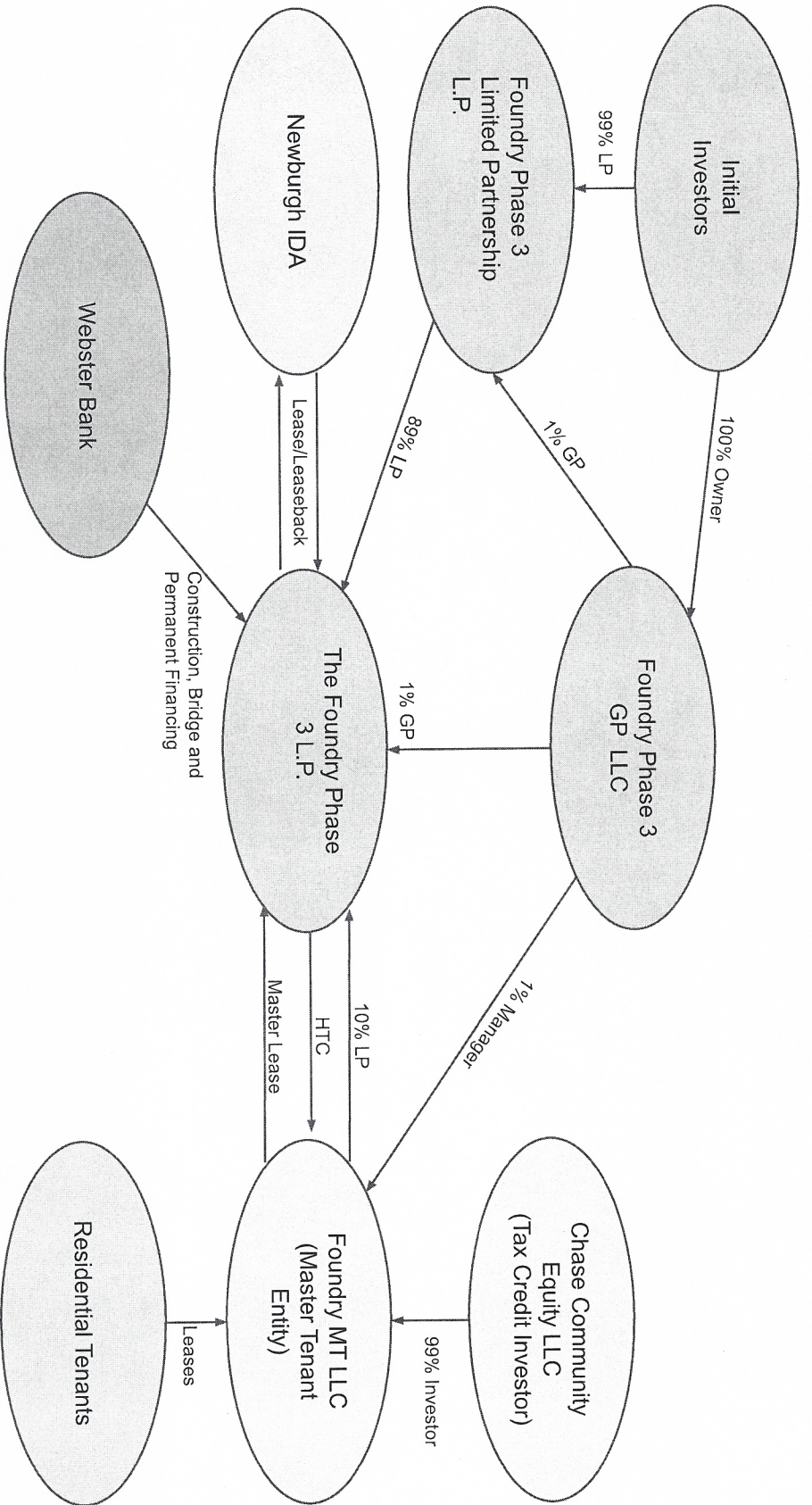
Second (50%): 3,557,940 → C/O

Third (15%): 1,067,382 → Part 3 Approval

Fourth (10%) 711,588 → Perm. Mortgage

Investment Period: 5.5 Years

# Foundry Phase 3 - New Structure





# Structure Changes to Accommodate HTC Investment

- A master tenant entity (“Foundry MT, LLC” or “MTLLC”) was created to facilitate the HTC investment (Chase is a 99% owner in MTLLC and is allocated 99% of the HTCS). Foundry Phase 3 GP LLC is the Managing Member of this entity and remains in control of all operational decisions.
- MTLLC leases to end-users of units, collects revenue, and distributes net revenue to landlord (The Foundry Phase 3 L.P.) via rent payments. The landlord is the borrower of the Webster loans and pays debt service with that cash flow.

# Conclusion

1. We are excited to complete our construction and HTC financing so that we can proceed to complete this project on schedule and on budget.
2. We respectfully request that you approve the following:
  - a. Approve the Master Lease between The Foundry Phase 3 L.P. and Foundry MT, LLC
  - b. Approve the following Amended and Restated documents between the IDA and The Foundry Phase 3 L.P. to accommodate the consent above, the references to the Webster Bank mortgage loan and such other ministerial changes to those documents as proposed by IDA counsel, together with conforming changes to any related documents:
    - i. Amended and Restated PILOT Agreement
    - ii. Amended and Restated Lease Agreement
    - iii. Amended and Restated Memorandum of Lease

CITY OF NEWBURGH  
INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2022-09-19-01

**APPROVING RESOLUTION CONSENTING TO A MASTER LEASE AND CERTAIN  
OTHER ACTIONS IN CONNECTION WITH  
THE FOUNDRY PHASE 3, LP PROJECT**

A regular meeting of City of Newburgh Industrial Development Agency (the "Agency") was convened in public session at Heritage Center, 123 Grand Street, Newburgh, New York on September 19, 2022, at 6:00 o'clock p.m., local time.

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:

Marlon Ramos	Chairperson
Christina Amato	First Vice Chairperson
Michael Kelly	Second Vice Chairperson
Gregory Nato	Secretary
Theresa Priester	Member
Robin Yanyiah Pearson	Member

ABSENT:

Adam Pollick

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

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

The following resolution was offered by Gregory Nato, seconded by Robin Yanyiah Pearson, to wit:

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, 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, The Foundry Phase 3, LP, 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"), said Project consisting of the following: (A) the acquisition of an interest in an approximately 76,841 square foot parcel of real property located at 43-45 Edward Street, Newburgh, NY (the "Land"), (2) the rehabilitation and improvement of the existing structures on the Land of improvements consisting of 59 residential units to be rented as multifamily apartments (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 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 Resolution No. 2021-07-14-06 (the "Approving Resolution"), the Agency determined The Project should receive the Financial Assistance in the form of exemption from certain (i) sales and use taxes as set forth Application; (ii) real estate transfer taxes and mortgage recording taxes as set forth Application; and (iii) real property taxes based on (i) the Company's statement that the Project will not proceed without such Financial Assistance, and (ii) the Agency's Uniform Criteria for the Evaluation of Projects Policy and the Pilot Request contained in the Deviation Notice, the cost benefit analysis undertaken by the Agency and the description of expected public benefits to occur as a result of this Project; and

WHEREAS, the parties entered into the Basic Documents (as defined in the Approving Resolution) as of December 1, 2021; and

WHEREAS, the Company has requested the Agency to consent to a certain Master Lease Agreement in connection with the Project in substantially the form presented to the Agency at this meeting; and

WHEREAS, the Lease Agreement dated as of December 1, 2021 between the Agency, as Lessor, and the Company, as Lessee, requires the Agency to consent prior to the execution of the Master Lease Agreement; and

WHEREAS, the Company has advised the Agency that certain changes in its business structure are being proposed; and

WHEREAS, the Company has advised the Agency that it has received a commitment for a construction loan for the Project from Webster Bank, National Association for up to \$15,332,000.00; and

WHEREAS, certain additional amendments to the Basic Documents (as defined in the Approving Resolution) have been requested to be made as set forth below.

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

Section 1. The form of Master Lease Agreement presented before Board at this meeting is hereby consented to in furtherance of the Project in accordance with the terms and provisions of the Lease Agreement.

Section 2. The changes to the business structure of the Company, as described to the Agency at this meeting, is consented to.

Section 3. The Agency consents to the form of the following documents as presented at this meeting: Amended and Restated Lease Agreement, Amended and Restated Payment In Lieu of Tax Payment Agreement, Memorandum of Amended and Restated Lease Agreement, and such related and necessary documents in connection with such amendments as determined by Agency Counsel.

Section 4. (A) The Chairperson (or Vice Chairperson) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Basic 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 Amended and Restated Lease Agreement).

Section 5. 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 Basic 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 Basic Documents binding upon the Agency.

Section 6. 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:

Marlon Ramos	VOTING	Yes
Christina Amato	VOTING	Yes
Michael Kelly	VOTING	Yes
Adam Pollick	VOTING	ABSENT
Gregory Nato	VOTING	Yes
Theresa Priester	VOTING	Yes
Robin Yanyiah Pearson	VOTING	Yes

The foregoing Resolution was thereupon declared duly adopted.



CITY OF NEWBURGH  
INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2022-09-19-02

RESOLUTION AUTHORIZING THE AGENCY  
ENGAGE AN OUTSIDE AUDITOR

A regular meeting of City of Newburgh Industrial Development Agency (the “Agency”) was convened in public session at Heritage Center, 123 Grand Street, Newburgh, New York on September 19, 2022, 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:

Marlon Ramos	Chairperson
Christina Amato	First Vice Chairperson
Michael Kelly	Second Vice Chairperson
Gregory Nato	Secretary
Theresa Priester	Member
Robin Yanyiah Pearson	Member

ABSENT:

Adam Pollick	Treasurer
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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 Gregory Nato, seconded by Michael Kelly, to wit:

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 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, under Section 858(7) and (9) of the Act, the Agency is authorized and empowered to appoint, and enter into contracts with. agents and employees, to prescribe their qualifications and to fix their compensation and to pay the same out of funds of the Agency; and

WHEREAS, on or about May 19, 2022, the Agency issued a Request for Proposal (the “RFP”) seeking proposals from qualified firms to act as the Agency Auditor; and

WHEREAS, the Agency received three responses to the RFP (the “Responses”); and

WHEREAS, a audit committee reviewed the Responses to determine the proposal which is in the best interest, and provides the best value. to the Agency;

WHEREAS, based on its review of the Responses, the Committee has recommended that the Agency engage PKF O'Connor Davies as Agency Auditor.

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

Section 1. The Agency hereby approves the recommendation of the Committee and authorizes the appointment of PKF O'Connor Davies as the Agency Auditor.

Section 2. The Chairperson and the Executive Director are each hereby authorized to take all reasonable actions necessary to implement the provisions hereof.

Section 3. This Resolution shall take effect immediately.

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

Marlon Ramos	VOTING	Yes
Christina Amato	VOTING	Abstain
Michael Kelly	VOTING	Yes
Adam Pollick	VOTING	Absent
Gregory Nato	VOTING	Yes
Theresa Priester	VOTING	Yes
Robin Yanyiah Pearson	VOTING	Yes

The foregoing resolution was thereupon declared duly adopted.

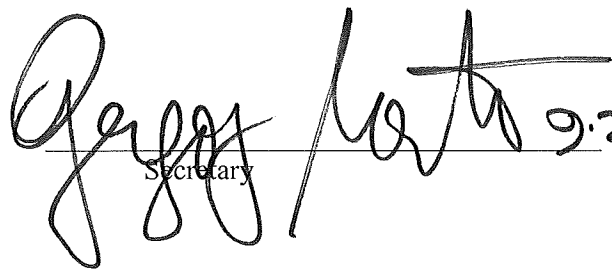
STATE OF NEW YORK        )  
  ) SS.:  
COUNTY OF ORANGE        )

I, the undersigned Secretary of City of Newburgh Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on September 19, 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 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 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 **20** day of September, 2022.

 9.20.22  
Secretary

(SEAL)