

The Board of Directors of the Newburgh IDA met on Wednesday, January 22 at 6:35 pm at 401 Washington Street, Newburgh, NY 12550.

Present:

Board Members: Michael Neppl, Chair

Gregory Nato, Secretary

Vickiana DeMora, Treasurer - Absent

Alexandra Church, Vice Chair Christina Amato, Member Sharonda Powell, Member

Staff: Cherisse Vickers, Executive Director

Adriana Huaynalaya, Financial Administrator

Counsel: Robert J. McLaughlin, Esq., Whiteman Osterman & Hanna LLP

Guests: Connor Hartnett, MRB Group

Philippe Pierre, 104 Washington Street LLC. Andrew Schrijver, Liberty Street Apartments LLC.

Jacob Chai, The Shaw Building L.P.

- 1. **Roll Call:** Michael Neppl, Chairman called the meeting to order at 6:38 pm. A quorum was declared to be met.
- 2. **Proof of Meeting Notice:** Michael Neppl, Chairman observed that the Notice of the meeting was properly sent and accepted.

3. **Public Hearing 104 Washington Street, LLC:**

In September of 2020, the City of Newburgh Industrial Development Agency (the "Agency") received an application from 104 Washington St, LLC, seeking financial assistance, in the form of exemptions from sales and use taxes, real property taxes, and mortgage recording taxes ("Financial Assistance"), for a project (the "Project") consisting of the following: (A) the acquisition of an interest in an approximately 5,000

square foot parcel of real property located at 104 Washington Street, Newburgh, NY (the "Land"), (2) the construction on the Land of improvements consisting of an office or retail space with approximately 29 residential units (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"). In July of 2021, the Agency granted the Financial Assistance for the Project. After approval of the Financial Assistance and closing on the basic documents, 104 Washington St LLC submitted a revised application to the Agency on October 29, 2024 (the "Amended Application"). In the Amended Application, the applicant changed the scope of the Project and made amendments to its Financial Assistance, 104 Washington Street LLC seeks the following Financial Assistance for the Project: a) a thirty (30) year payment in lieu of tax agreement ("PILOT") at an estimated value of Two Million Three Hundred Fifty-Seven Thousand One Hundred Forty-Seven Dollars (\$2,357,147.00); b) an exemption from mortgage recording taxes at an estimated value of Fifteen Thousand Two Hundred Thirty-Eight Dollars (\$15,238.00); and c) an exemption from New York State sales and compensating use taxes at an estimated value of One Hundred Thirty-Three Thousand One Hundred Eighty-Four Dollars (\$133,184.00). The request for Financial Assistance deviates from the Agency's Uniform Tax Exemption Policy ("UTEP"). Prior to the Agency providing the Financial Assistance, the Agency must hold a public hearing to hear all persons interested in the Project and all affected tax jurisdictions regarding the deviation.

4. Public Hearing Liberty Street Apartments, LLC:

On August 16, 2024, the Agency received an application from Liberty Street LLC seeking financial assistance, in the form of exemptions from sales and use taxes, real property taxes, and mortgage recording taxes ("Financial Assistance"), for a project (the "Project") consisting of the following: (A) the acquisition of an interest in parcels of real property consisting of approximately 1.344 acres located at 50-72 Liberty Street, Newburgh, New York (the "Land"), (2) the construction and improvement of a new mixed-use building on the Property totaling approximately 200,000 square feet consisting of market-rate housing, affordable housing, commercial retail space and a parking garage (collectively, the "Facility"), and (4) 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"). Liberty Street Apartment LLC seeks the following Financial Assistance for the Project: a thirty-two (32) year payment in lieu of tax agreement ("PILOT") at an estimated value of Seven Million One Hundred Seventy-Three Thousand Three Hundred Seventy-Two (\$7,173,372) Dollars. The request for Financial Assistance deviates from the Agency's Uniform Tax Exemption Policy ("UTEP"). Prior to the Agency providing the Financial Assistance, the Agency must hold a public hearing to hear all persons interested in the Project and all affected tax jurisdictions regarding the deviation.

5. **Reading and Approval of December 16, 2024 Meeting Minutes:**

Meeting Minutes from the board meeting of December 16, 2024, were distributed to the board via e-mail.

Motion to approve December 16, 2024 meeting minutes as presented:

Ms. Amato: Motion to approve the minutes

Ms. Church: Motion seconded **VOTE: Unanimously passed**

6. Report of the Treasurer; Approval of Payment of Bills:

Christina Amato presented the December Treasurer's Report to the board.

Motion to approve December 2024 Treasurer's Report

Mr. Nato: Motion to approve Ms. Church: Motion seconded **VOTE: Unanimously passed**

Motion to approve December 2024 Bill Payments

Ms. Church: Motion to approve (Checks 1304, 1305, 1307, 1308, 1309)

Mr. Nato: Motion seconded **VOTE: Unanimously passed**

7. **Chairman's Report:**

Mr. Neppl gave a brief report on the ongoing ligation with M&T Bank and the Broadway Armory that will come to a close. Mr. Neppl thanked board members and Agency staff for their diligent pursuit of resolution. Mr. Neppl also mentioned the Agency is taking several measures to improve the overall transparency of the Agency operations and encouraged City residents to show up to public hearings to voice their opinions. The Agency's meetings will now be live streamed from this point forward.

8. Counsel's Report:

Mr. McLaughlin congratulated the board on the Armory. At the last board meeting, the question was asked whether the UTEP session could be added to MRB's contract, Mr. McLaughlin mentioned the UTEP revisions can be covered in the contract.

The easement at the Newburgh Plaza, Murphy's Ditch, was discussed at the last meeting and the question was asked if the easement can be terminated, Mr. McLaughlin said it

can be terminated however there will be difficulty with enforcement after that. The agreement does provide for the filing of a lien. Mr. McLaughlin requested that the board to consider the commencement of litigation with the developer that they have failed to pay the remaining \$55,000 of the easement agreement.

Mr. McLaughlin shared with the board a letter about Scobie Drive was received from the DEC with comments on the landfill workplan and these comments will need to be incorporated to the plan within 30 days.

Mr. McLaughlin mentioned the Brookfield project will most likely be closed sometime in February.

Mr. McLaughlin also had a conversation with the attorney for the Hotel project and they are moving forward with the reapplication with their lenders for refinancing. Potentially the closing documents can be revised at some point in the second quarter of this year.

9. **Executive Director's Report:**

Ms. Vickers shared with the board the office has begun preparing the Agency's annual reporting called PARIS. The Agency's audit has been scheduled for the week of February 10th. The Audit/Finance Committee will have to meet before the March 16th meeting to review the audit for board approval since the reporting for PARIS is due on March 31st. The RFP for the structural engineer will be closed next week and perhaps by the February board meeting, board members would have someone to choose from. Following the Agency's procurement policy, Sean Strong from Phanatiks will now be used to record board meetings. Ms. Vickers also shared with the board the annual NYSEDC in Albany which will be held the same week as the audit in case any of the board members are interested in attending. The office is currently preparing for the public hearing scheduled for next month.

10. **New Business:**

Resolution # 2025-01-22-01 Amendment to Approving Resolution IV5 Newburgh South Logistics Center LLC

In accordance with the Labor Policy, the Approving Resolution requires the Company will deposit with the Agency, together with the execution of the Agency Documents, a sufficient amount (not to exceed \$25,000) for the payment of future fees incurred by Loewke Brill Consulting Group, Inc., the Agency's independent monitor (the "Agency Independent Monitor") for its Project compliance review under the Labor Policy consistent with the Agency Independent Monitor's contract with the Agency; and the Agency Independent Monitor has determined that the amount required for future fees will exceed \$36,000; and the Agency and the Applicant have mutually agreed to amend the Approving Resolution for the increase in the amount to be deposited with the Agency for payment of the services of the Agency Independent Monitor; and the Agency has determined that the proposed amendments are consistent with (i) the Application, as

amended, on file with the Agency, and (ii) the Approving Resolution.

Ms. Church asked if these changes are based on the nature of the project or if these are the prices the Agency should expect to see going forward. Mr. McLaughlin responded it is a combination of both, as costs have increased since 2022 and since this project is a warehouse the costs are different.

Ms. Amato: Motion to approve Ms. Church: Motion seconded

A roll call was taken for the vote.

Mr. Neppl: Yes Ms. Church: Yes Ms. DeMora: Absent

Mr. Nato: Yes Ms. Amato: Yes Ms. Powell: Yes

VOTE: Unanimously passed

Resolution # 2025-01-22-02 Consideration of a Public Hearing for the Shaw Building, L.P.

The Company requests the following Financial Assistance: a) a fifteen (15) year payment in lieu of tax agreement ("PILOT") at an estimated value of Two Million Five Hundred Eight Thousand Six Hundred Twenty Dollars (\$2,508,620); b) an exemption from mortgage recording taxes at an estimated value of Three Hundred Four Thousand One Hundred Eighty-Three Dollars (\$304,183); and c) an exemption from New York State sales and compensating use taxes at an estimated value of Five Hundred Eighty-Five Thousand Dollars (\$585,000); and pursuant to Section 859-a of the Act, prior to the Agency providing any "financial assistance" (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project.

Mr. Chai presented to the board and thanked the board for their service for the City. This project is the second phase of a two-phase development that was initiated in 2020 with the goal of creating a more meaningful and impactful change to this specific section of Newburgh. There is an existing building that is 25,000 square feet and there will be a new ground up development project on the same parcel. Mr. Chai said this project will be a mixed-use development with 53 housing units, 5 units be affordable housing. There will be 8 commercial stalls along Johnes St, a cafe/restaurant on South Williams Street and 34 units on Edwards Street.

Ms. Amato asked if this is a rental project and not condos to sell. Mr. Chai responded that it is correct. Ms. Amato also alluded to Mr. Chai's comment about paying as much taxes as possible, if the economic environment changes and Mr. Chai would need less of a PILOT would he be open to the PILOT schedule changing. Mr. Chai responded that would be challenging to have investors to agree and the City will win if the economy is doing

well. Ms. Amato asked Mr. Chai if he considered making the condo units potentially for sale to encourage homeownership in the City. Mr. Chai asked if the board would consider another condo PILOT project. Mr. McLaughlin responded the board could have a conversation about that at another meeting. A commercial finding resolution and an approving resolution can be done as was done for The Foundry. Ms. Amato said City residents are in favor of PILOTS for the reason that the Agency gives PILOTS, however if the rent becomes larger does the PILOT become just an excess of developer profit or does the developer still need the PILOT. Mr. McLaughlin added this is something the board should think about before the approving resolution. Mr. McLaughlin asked Mr. Chai if he received any state grants. Mr. Chai responded they have applied for the Momentum Fund Grant and if they win the funds are scaled for the size of the project.

Mr. Neppl mentioned there is a real base misconception about how municipal governments work and where revenues come from to provide services. The taxes are the levy, the levy gets adopted every year and assessments on how the levy gets spread over the taxpayers. Increases in tax revenues and if the levy remains the same it actually reduces the tax burden across residents. Any revenue generated is beneficial to taxpayers. Whether a resident owns a home or is renting, everyone in the City pays property taxes. Ms. Amato mentioned that it is widely reported within economic development that there are many tiers of net fiscal impacts. Residential projects, whether market rate or affordable, can often be net neutral or net negative, in terms of services and public funds that they require and make the profit of the taxes that go into the City much less. Commercial taxes are much more valuable since they pay much more in taxes versus the impacts that they use leaving a net positive benefit to the City.

As a board Ms. Amato suggested the need to talk about how the Agency is attracting business and continuing to make sure the Agency is following commercial tax ratables. Ms. Church echoed Ms. Amato's comments and would like to see if the Agency is able to do a net analysis. Mr. Chai added Newburgh has a handful of challenges and projects alone cannot solve the problem. The City needs to focus on the bigger picture and how it is weaving together the tapestry of thoughtful developments and creating momentum amongst the development community. Ms. Amato added it would be great if the Agency could have a consortium of City boards and come to certain areas and say this is what they want to see and the types benefits. Mr. Nato asked if Mr. Chai is entertaining any tenants for the restaurant and the gym. Mr. Chai responded they have been in touch with Promises Kept.

Mr. Hartnett presented the Test of Reasonableness and Cost Benefit Analysis. This project is unique in that there is already an existing structure and a new structure that is to be built on the site. The existing structure qualifies for a RP485 abatement. Ms. Amato asked Mr. Chai if they do not receive the Momentum Fund will the benefit change. Mr. Chai responded if they do not receive the grant they will revise their ask. Ms. Amato asked Mr. McLaughlin if the Agency holds a public hearing, how would that affect the resolution. Mr. McLaughlin suggested withholding the approving resolution until the outcome of the grant is known or consider an approving resolution subject to representation of being able to build and finance.

Mr. Nato: Motion to approve Ms. Mato: Motion seconded

A roll call was taken for the vote.

Mr. Neppl: Yes Ms. Church: Yes Ms. DeMora: Absent

Mr. Nato: Yes Ms. Amato: Yes Ms. Powell: Yes

VOTE: Unanimously passed

Resolution # 2025-01-22-03 Amendment to Authorizing Resolution for Cell Tower Lease Extension

The Agency entered into a sublease, as amended, for the Property with Orange County-Poughkeepsie MSA Limited Partnership, a Delaware limited partnership ("ORP"), as subtenant, on or about February 1999 (the "Sublease"); and ORP, as the subtenant, constructed, or caused the construction of, a cell tower for use by the City and others; and pursuant to that certain assignment and assumption agreement dated December 6, 1999, by and between ORP and Crown Atlantic Company LLC, a Delaware limited liability company ("Crown Castle"), ORP assigned to Crown Castle all of its right, title and interest in and to the Sublease and the Property. The term of the Sublease expired on September 9, 2024 (the "Sublease Termination Date"); and the members of the Agency have determined that is it in the best interest of the Agency to extend the term of the Sublease Agreement; and by Resolution No. 2024-09-10-02 (the "Authorizing Resolution"), the Agency authorized the extension of the Sublease upon certain terms and conditions; and after negotiation between the parties to the Sublease, the Agency now desires to amend the terms and conditions upon which it will extend the Sublease as set forth in this Resolution.

Mr. McLaughlin highlighted the Agency's ability of a thirty-month notice to terminate the lease with a renewal of 5 years for the next 20 years for \$20,000. Ms. Church said the two-and-a-half-year notice was strange. Mr. McLaughlin said this was to allow them to find another location in the event of the lease being terminated. Ms. Church asked if the maintenance of the cell tower itself was included and the maintenance of the access road leading to the cell tower. Mr. McLaughlin mentioned he is not aware if that is part of the lease. Ms. Church asked if the Agency or the City or the lease can take on the maintenance.

TABLED

Resolution # 2025-01-22-04 Authorization of Agency to Enter into A Settlement Stipulation

J&G Law LLP, counsel for the Agency, has negotiated a settlement of such litigation and has recommended the Agency to (i) execute a Settlement Stipulation as laid before the Agency at this meeting in exchange for a Litigation Release in favor of the Agency, and

January 22, 2025, Board Meeting Minutes

(ii) make a payment to M&T Bank Corporation in the sum of \$350,000 in full settlement of the litigation.

Ms. Amato asked if this resolution is just for the Armory building and does not include the DMV building. Mr. McLaughlin confirmed that is correct. Mr. Neppl thanked the board for authorizing settlement authority for up to \$500,000 to bring this matter to a close.

Ms. Amato: Motion to approve Mr. Nato: Motion seconded

A roll call was taken for the vote.

Mr. Neppl: Yes Ms. Church: Yes Ms. DeMora: Absent

Mr. Nato: Yes Ms. Amato: Yes Ms. Powell: Yes

VOTE: Unanimously passed

11. Old Business:

Mr. Nato mentioned some confusion about the new website. The new website is a tool for the Agency to convey information about what the Agency can provide as much as possible. The bulk of the Agency's postings happen on the City's website.

12. **Adjournment**

A motion to adjourn was made by Ms. Church and seconded by Ms. Powell. Unanimously passed at 9:25 pm.

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY TREASURER'S REPORT JANUARY 22, 2025 MEETING December

OPERATING Account #2847

Opening Balance As of December 1, 2024 \$597,046.93

from bank statement

<u>Deposits</u>	<u>Payor</u>	<u>Amount</u> <u>Remarks</u>
	12/2/2024 AT&T	3,996.71
	12/3/2024 T-Mobile	5,416.49
	12/3/2024 Central Hudson	2,285.51
	12/30/2024 Dish Network	1,500.00
	12/31/2024 Interest Paid	1,742.61 Interest Rate 3.45%

TOTAL DEPOSITS 2847 \$14,941.32

Disbursements

Jui Jeillelles		
	<u>Payee</u>	<u>Amount</u> <u>Remarks</u>
Check #1304	12/5/2024 J&G Law, LLP	2,280.00 Invoice 319959
Check #1305	12/9/2024 Adriana Huaynalaya	96.48 Reimbursed expenses
Check #1307	12/19/2024 MRB Group	4,486.25 Invoice 64754, 64755
Check #1308	12/30/2024 Whiteman Osterman & Hanna LLP	6,333.95 Invoice 746349, 746350
Check #1309	12/19/2024 J&G Law, LLP	10,989.74 Invoice 320664, 3206645
		Middletown Times Herald Record
ACH	12/20/2024 Gannett New York-New Jersery LocaliQ	127.05 Hearing Notice Liberty St. Apts.
		Middletown Times Herald Record
ACH	12/20/2024 Gannett New York-New Jersery LocaliQ	122.14 Hearing Notice 104 Washington
ACH	12/29/2024 QuickBooks Online	70.28 Monthly payment

TOTAL CHECKS & DISBURSEMENTS 2847	\$24,505.89
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Closing Balance As of December 31, 2024 **\$587,482.36 Op Acct #2847**

PAYROLL Acct #8243

Opening Balance As of December 1, 2024 \$36,840.20

 Debit
 12/3/2024 Payroll Fees November 24
 56.23

 Debit
 12/11/2024 Net Pay (part of gross wages)
 3,629.15 11/25/24-12/08/24

 Debit
 12/11/2024 Employer Payroll Tax + Employee WH (part of gross wages)
 1,268.10 11/25/24-12/08/24

 Debit
 12/24/2024 Net Pay (part of gross wages)
 3,796.83 12/09/24 - 12/22/24

 Debit
 12/24/2024 Employer Payroll Tax + Employee WH (part of gross wages)
 1,341.54 12/09/24 - 12/22/24

Total Monthly Payroll Expense 10,091.85

Credit 12/31/2024 Interest Paid 92.96 Interest Rate 3.46%

Closing Balance As of December 31, 2024 \$26,841.31 Payroll Acct #8243

APPLICATIONS FUND Account #2855

Opening Balance As of December 1, 2024 \$14,151.44

Closing Balance As of December 31, 2024 \$14,151.44 App Fund Acct #2855

LESSOR/TENANT Account #2863

Opening Balance As of December 1, 2024 \$2,509.56

Interest Income 12/31/2024 Interest Paid \$7.23 Interest Rate 3.45%

Closing Balance As of December 31,2024 \$2,516.79 Lessor Acct #2863

LABOR MONITORING Account #7072

Opening Balance As of December 1, 2024 \$15,014.79

Closing Balance As of December 31, 2024 \$15,014.79 Labor Monitor Acct #7072

MONEY MARKET Account #2871

Opening Balance As of December 1, 2024 \$1,280,417.99

Interest Income 12/31/2024 Interest Paid 3,690.82 Interest Rate 3.45%

Closing Balance As of December 31,2024 **\$1,284,108.81 MM Acct #2871**

NEWBURGH SOUTH LOGISTICS CENTER Account #6521

Opening Balance As of December 1, 2024 \$45.59

Deposits

12/5/2024 Brookfield Properties 2,170.00 Deposit for W.O.H Invoice 740722

Interest Income 12/31/2024 Interest Paid 2.62 Interest Rate 3.54%

TOTAL DEPOSITS 6521 \$2,172.62

Disbursements

Check #1012 12/18/2024 Whiteman Osterman & Hanna LLP 2,170.00 Invoice 740722

TOTAL CHECKS & DISBURSEMENTS 6521 \$2,170.00

Closing Balance As of December 31, 2024 \$48.21 NSLC Acct #6521

PROVIDENT BANK Account #4346

Opening Balance As of December 1, 2024 \$0.00

Closing Balance As of December 31, 2024 \$0.00 PROVIDENT BANK Account #4346

PROVIDENT BANK Account #5683

Opening Balance As of December 1, 2024 \$4,258,821.87

Closing Balance As of December 31, 2024 \$4,258,821.87 PROVIDENT BANK Account #5683

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2025-01-22-01

RESOLUTION AMENDING CERTAIN PROVISIONS OF RESOLUTION NO. 2024-11-18-02 APPROVING THE IV5 NEWBURGH SOUTH LOGISTICS CENTER LLC PROJECT

A regular meeting of City of Newburgh Industrial Development Agency (the "Agency") was convened in public session at 401 Washington Street, Newburgh, New York on January 22, 2025, at 6:30 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:

Michael Neppl

Chair

Alexandra Church

Vice Chair

Gregory Nato

Secretary

Christina Amato

Member

Sharonda Powell

Member

ABSENT:

Vickiana DeMora

Treasurer

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers

Executive Director

Adriana Huaynalaya

Financial Administrator

Robert J. McLaughlin, Esq.

Agency Counsel

The following resolution was offered by Christina Amato, seconded by Alexandra Church, to wit:

Resolution No. 2025-01-22-01

RESOLUTION AUTHORIZING AMENDMENT TO RESOLUTION NO. 2024-11-18-02 APPROVING A LEASE/LEASEBACK TRANSACTION FOR THE IV5 NEWBURGH SOUTH LOGISTICS CENTER LLC PROJECT.

WHEREAS, the City of Newburgh Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") 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 October 11, 2023, IV5 Newburgh South Logistics Center LLC, a Delaware limited liability 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 to the Agency, which application has been updated and amended by the Company prior to this meeting (collectively, the "Application"), 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 a parcel of real property consisting of approximately 49.60 acres located at 700 South Street, Newburgh, New York (the "Land"), (2) the construction and improvement of a new warehouse distribution building on the Land totaling approximately 416,320 square feet (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 No. 2024-11-18-02 (the "Approving Resolution"), the Agency approved the Application with the conditions and recapture events set forth therein; and

WHEREAS, Section 3 (J) of the Approving Resolution states that the Project will be subject to the Agency's Local Labor Policy (the "Labor Policy"); and

WHEREAS, in accordance with the Labor Policy, the Approving Resolution requires the Company will deposit with the Agency, together with the execution of the Agency Documents, a sufficient amount (not to exceed \$25,000) for the payment of future fees incurred by Lowke Brill Consulting Group, Inc., the Agency's independent monitor (the "Agency Independent Monitor") for its Project compliance review under the Labor Policy consistent with the Agency Independent Monitor's contract with the Agency; and

WHEREAS, the Agency Independent Monitor has determined that the amount required for future fees will exceed \$36,000; and

WHEREAS, the Agency and the Applicant have mutually agreed to amend the Approving Resolution for the increase in the amount to be deposited with the Agency for payment of the services of the Agency Independent Monitor; and

WHEREAS, the Agency has determined that the proposed amendments are consistent with (i) the Application, as amended, on file with the Agency, and (ii) the Approving Resolution.

WHEREAS, the Agency now desires, pursuant to Section 862(2)(c) of the Act, to amend its final findings with respect to the Project and its final determination whether to proceed with the Project as set forth in the Approving Resolution.

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

- Section 1. The amount of the Company deposit set forth in Section 3(J) of the Approving Resolution to provide for the payment of future fees incurred by the Agency Independent Monitor for the Agency's Project compliance review under the Labor Policy shall be amended to a sufficient amount (not to exceed \$40,000).
- Section 2. Except as amended by Section 1 of this Resolution, all of the findings and determinations of the Agency set forth in the Approving Resolution are hereby ratified and confirmed.
 - Section 3. 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:

Michael Neppl	VOTING	YES
Alexandra Church	VOTING	YES
Vickiana DeMora	VOTING	ABSENT
Gregory Nato	VOTING	YES
Christina Amato	VOTING	YES
Sharonda Powell	VOTING	YES

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned, Secretary of the City of Newburgh Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 22, 2025 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 day of _______2025.

(SEAL)

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2025-01-22-02

A regular meeting of the City of Newburgh Industrial Development Agency (the "Agency") was convened in public session at Newburgh Activity Center, 401 Washington Street, Newburgh, New York on January 22, 2025, at 6:30 o'clock p.m., local time.

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

PRESENT:

Michael Neppl Chair
Alexandra Church Vice Chair
Vickiana DeMora Treasurer
Gregory Nato Secretary
Christina Amato Member
Sharonda Powell Member

ABSENT:

Vickiana DeMora

Treasurer

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers Executive Director
Adriana Huaynalaya Financial Administrator
Robert J. McLaughlin, Esq. Agency Counsel

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

Resolution No. 2025-01-22-02

RESOLUTION AUTHORIZING THE CHAIR OR THE VICE CHAIR OR ANY OFFICER OF THE CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF SHAW BUILDING, L.P., AND TO SEND A LETTER TO THE CHIEF EXECUTIVE OFFICERS OF THE AFFECTED TAXING ENTITIES INFORMING THEM OF A PROPOSED DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PROJECT.

WHEREAS, the City of Newburgh Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act" or the "Act") and Chapter 577 of the 1982 Laws of New York, as amended, constituting Section 913 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, 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 August 23, 2024, Shaw Building, L.P., 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 (those designated persons or entities included in the definition of the Company), submitted an application to the Agency, which was revised by the Company on November 11, 2024 (collectively, the "Application"), 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 parcels of real property consisting of approximately 39,959 square feet located at 24-42 Johnes Street, Newburgh, New York (the "Land"), (2) the rehabilitation and conversion of an existing historic building on the Land to a mixed-use residential and commercial building totaling approximately 27,000 square feet and the construction and improvement of a new mezzanine residential building on the Land totaling approximately 36,500 square feet with principal uses across both buildings consisting of market-rate housing, affordable housing, and commercial retail space (collectively, the "Facility"), and (4) 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, the Company requests the following Financial Assistance: a) a fifteen (15) year payment in lieu of tax agreement ("PILOT") at an estimated value of Two Million Five Hundred Eight Thousand Six Hundred Twenty Dollars (\$2,508,620); b) an exemption from mortgage recording taxes at an estimated value of Three Hundred Four Thousand One Hundred Eighty-Three Dollars (\$304,183); and c) an exemption from New York State sales and compensating use taxes at an estimated value of Five Hundred Eighty-Five Thousand Dollars (\$585,000); and

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

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any "financial assistance", the Agency must obtain a written cost-benefit analysis of the Project, and

WHEREAS, the Agency has previously engaged a third-party municipal services firm, MRB Group, which assessed the Project and developed a written cost benefit analysis which identified the following economic impact and benefits to the City of Newburgh from the Project: a) the construction phase of the Project will create 164 direct/indirect jobs that generate approximately \$8,411,546 in wages; b) the Project will result in 16 permanent jobs earning approximately \$648,010 in wages on an annual basis; c) Orange County will benefit from additional, one-time sales tax revenue of \$55,201 associated with construction wages earned during the construction phase and additional sales tax revenue of \$164,107 related to new wages earned from permanent jobs and additional sales tax revenue of \$317,902 related to new household spending; d) over the course of the 15 years, the Project will generate an increase of \$683,358 in additional property tax revenue on the current taxes for Orange County, the City of Newburgh, and the Newburgh Enlarged City School District; and

WHEREAS, in connection with the Application, the Company has made a request to the Agency (the "Pilot Request") to deviate from its Uniform Tax Exemption Policy (the "Policy") with respect to the term of the payment in lieu of tax agreement by and between the Agency and the Company (the "Proposed Pilot Agreement"); and

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

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

WHEREAS, the comparison of the proposed deviation payment proposed by the Company for the Added Value of the Project as compared to the approximate abatement percentage of tax otherwise due is set forth below:

PILOT TAX YEAR	PILOT PAYMENT DUE	APPROXIMATE PILOT ABATEMENT PERCENTAGE*
1	\$32,727	100%
2	\$33,382	100%
3	\$34,049	100%
4	\$34,730	100%
5	\$35,425	100%

\$36,133	100%
\$36,856	100%
\$37,593	100%
\$38,345	100%
\$39,112	100%
\$70,637	90%
\$103,407	80%
\$169,445	60%
\$238,082	40%
\$309,398	20%
	\$36,856 \$37,593 \$38,345 \$39,112 \$70,637 \$103,407 \$169,445 \$238,082

^{*}Chart is for illustrative purposes only.

WHEREAS, pursuant to Section 858(15) of the Act, unless otherwise agreed by the Affected Tax Jurisdictions, payments in lieu of taxes must be allocated among the Affected Tax Jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each Affected Tax Jurisdiction had the Project Facility not been tax exempt due to the status of the Agency; and

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

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a and 874(4) of the Act with respect to the Project by scheduling a public hearing for the Project.

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

Section 1. The Agency hereby induces the Project and authorizes the Chair, the Vice Chair or any Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the "Public Hearing"); (B) to cause the Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act and shall be at least twenty-five (25) days prior to the date of such Public Hearing; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project

Facility is or is to be located to comply with the requirements of Sections 859-a and 874(4) of the Act at least twenty-five (25) days prior to the date of such Public Hearing; (D) to conduct or cause the holding of such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the "Report") to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

- Section 2. Having considered both the Application, the Pilot Request and the Policy, the Agency hereby authorizes the Chair, the Vice Chair or any Officer of the Agency, to send a written notice to the chief executive officers of each of the Affected Tax Jurisdictions informing them that (A) the Agency is considering a proposed deviation from the Policy with respect to the Project and the reasons therefore (in substantially the form of the draft of said letter attached hereto as Exhibit A) at least twenty-five (25) days prior to the date of such Public Hearing; (B) soliciting any comments that such Affected Tax Jurisdictions may have with respect to said proposed deviation; and (C) inviting attendance of any representative of the Affected Tax Jurisdictions to attend the Public Hearing.
- Section 3. The Chair, the Vice Chair and/or any Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.
- Section 4. All action taken by the Chair, the Vice Chair and/or any Officer of the Agency in connection with the Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.
 - <u>Section 6</u>. 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:

Michael Neppl	VOTING	YES
Alexandra Church	VOTING	YES
Vickiana DeMora	VOTING	ABSENT
Gregory Nato	VOTING	YES
Christina Amato	VOTING	YES
Sharonda Powell	VOTING	YES

The foregoing Resolution was thereupon declared duly adopted.

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

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 January 22, 2025 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 ____ day of ______ 2025.

ecretary

.22.25

(SEAL)

EXHIBIT A

NOTICE OF DEVIATION TO THE AFFECTED TAX JURISDICTIONS ISSUED IN ACCORDANCE WITH AGENCY RESOLUTION DATED JANUARY 22, 2025

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY

83 Broadway, Third Floor Newburgh, New York 12551-1298 Tel: 845-569-7369

January 22, 2025

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

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

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

The Honorable Ramona Monteverde, Council Member, City of Newburgh 83 Broadway Newburgh, New York 12550 Jackielyn Manning Campbell.
Superintendent of Schools
Newburgh Enlarged School District
124 Grand Street
Newburgh, New York 12550

Christine M. Bello, Board President Newburgh Enlarged School District 124 Grand Street Newburgh, New York 12550

The Honorable Giselle Martinez, Council Member, City of Newburgh 83 Broadway Newburgh, New York 12550

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

ADDRESSEES CONTINUED

January 22, 2025 Page 2

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

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

RE:

Proposed Deviation from Uniform Tax Exemption policy by the City of Newburgh Industrial Development Agency ("Agency") in connection with its Proposed Shaw Building, L.P., Project

Honorable Sirs and Madame:

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

Shaw Building, L.P., a New York limited partnership, 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 to the Agency (the "Application"), a copy of which Application is on file at the office of the Agency and available at the Agency website (https://www.NewburghIndustrialDevelopmentAgency.org), 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 parcels of real property consisting of approximately 39,959 square feet located at 24-42 Johnes Street, Newburgh, New York (the "Land"), (2) the rehabilitation and conversion of an existing historic building on the Land to a mixed-use residential and commercial building totaling approximately 27,000 square feet and the construction and improvement of a new mezzanine residential building on the Land totaling approximately 36,500 square feet with principal uses across both buildings consisting of market-rate housing, affordable housing, and commercial retail space (collectively, the "Facility"), and (4) 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.

At its regular meeting held on January 22, 2025, the Company made a request to the Agency (the "Pilot Request") to enter into a payment in lieu of tax agreement (the "Proposed Pilot Agreement") which terms deviate from the Agency Uniform Tax Exemption Policy (the "Policy"). (Capitalized terms not otherwise defined herein are defined in the Policy which can be viewed at www.NewburghIndustrialDevelopmentAgency.org.) The Public Hearing to consider the Project and the deviation from the Policy is scheduled for **February 26, 2025**.

Pursuant to Section 874(4) of the Act, and in accordance with the Policy, prior to taking final action on the Pilot Request for a deviation from the Policy, the Agency must adopt a resolution setting forth, with

respect to the proposed deviation: (a) the amount of the proposed Tax Exemption, (b) the amount and nature of the proposed PILOT, and (c) indicating the reasons for the proposed deviation. At its regular meeting held on January 22, 2025, the Agency approved the issuance of this letter setting forth the reasons of the proposed deviation from the Policy as required by the Act and the Policy.

The Proposed Pilot Agreement would be for a term of up to 15 years, with the Company making the payments in each year as a Pilot Payment as follows:

[DRAFT - TO BE FINALIZED AFTER COMMENTS RECEIVED]

PILOT TAX YEAR	PILOT PAYMENT DUE	APPROXIMATE PILOT ABATEMENT PERCENTAGE*
1	\$32,727	100%
2	\$33,382	100%
3	\$34,049	100%
4	\$34,730	100%
5	\$35,425	100%
6 .	\$36,133	100%
7	\$36,856	100%
8	\$37,593	100%
9	\$38,345	100%
10	\$39,112	100%
11	\$70,637	90%
12	\$103,407	80%
13	\$169,445	60%
14	\$238,082	40%
15	\$309,398	20%

^{*}For illustrative purposes only.

The purpose of this letter is to inform you of (i) the Pilot Request, (ii) the proposed deviation from the Policy, and (iii) that the Agency is considering whether to grant the Pilot Request and to approve a Proposed Pilot Agreement conforming to the terms of the Pilot Request. The Public Hearing will serve as

the initial Public Hearing so that the Agency can hear comments from the public on the proposed financial assistance being considered for the Project. You are encouraged to submit written comments to the Agency prior to or at the hearing date on **February 26, 2025**. This letter is forwarded to you for purposes of complying with Section 874 of the Act and the Policy, which requires notice prior to the Agency taking final action with respect to the Proposed Pilot Agreement (if said Proposed Pilot Agreement may deviate from the provisions of the Policy).

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

- 1. The nature of the Project: (i) the rehabilitation and conversion of one (1) existing historic building on the Land to a mixed-use residential and commercial building totaling approximately 27,000 square feet, and (ii) the construction and improvement of one (1) new mezzanine residential building on the Land totaling approximately 36,500 square feet, with principal uses across both buildings consisting of market-rate housing, affordable housing, and commercial retail space.
- 2. The present use of the property: Underutilized, historic building and vacant land. The proposal would transform this underutilized historic building and vacant land into vibrant mixed-use properties bringing housing, jobs, and tax revenue to the City.
- 3. The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area: At the time of the filing of the Application, the economic condition of the area in which the Project Facility is to be located is distressed.
- 4. New revenue from development of the Project is projected to be (in accordance with the Agency Cost-benefit Analysis): \$683,358 in new real property tax revenue; \$55,201 in sales tax revenue related to construction; \$164,107 in sales tax revenue related to operating the Project Facility during the period of the proposed PILOT; \$18,383 in annual sales tax revenue related to new household spending or \$317,902 over the life of the proposed PILOT.
- 5. The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs:
 - (a) In the Application, the Company's anticipates two jobs associated with the residential management and maintenance of the Project earning an annual average salary of \$97,500 and \$32,500 respectively. The Company also anticipates 12 full-time and part-time jobs at the commercial units, generating an average salary of \$32,500 annually. The average new jobs are anticipated to be 14 (professional, managerial, semi-skilled and unskilled), which are expected to be maintained through duration of the proposed PILOT. Upon completion of the Project, it is estimated that the anticipated employment at the Project will generate approximately \$648,010 in wages annually and \$2 million in sales revenue.
 - (b) The construction phase of the Project is anticipated to create approximately 132 direct, on-site construction jobs and 32 indirect jobs. Combining direct and indirect impacts, the construction phase of the Project is expected to create 164 jobs that are

expected to generate approximately \$8,411,546 in wages and more that \$22 million in sales revenue. The Applicant has indicated that the majority of the construction jobs will be filled by local labor in compliance with the Agency's Local Labor Policy.

- 6. The estimated value of new tax exemptions to be provided: Real property tax exemption benefit of approximately \$2,508,619 (estimated per the Agency Cost-Benefit Analysis).
- 7. The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions: The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions is positive. The existing assessments at the Project site will be paid in full. The proposed PILOT Agreement will apply to the improvements made to the Project site and will result in an inflow of net revenue to the City, the County and the School District where today there is minimal. The development of the Project Facility is expected to result in local construction jobs, the creation of permanent jobs and the development of affordable housing and additional retail.
- 8. The impact of the Proposed Pilot Agreement on existing and proposed businesses and economic development projects in the vicinity: The impact of the Project is a positive one on the community.
- 9. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement: \$25,307,042.
- 10. The effect of the Proposed Pilot Agreement on the environment: The Project is consistent with housing and retail improvements for similar sites and it is anticipated that there will be no detrimental impact on the environment.
- 11. Project timing: Anticipated to be completed within two (2) years of the commencement date of approximately fourth quarter 2026.
- 12. Development/redevelopment impacts: The Project will bring productive uses to underutilized property.
- 13. Type of development: The Project consists of (i) the rehabilitation and conversion of one (1) existing historic building on the Land to a mixed-use residential and commercial building totaling approximately 27,000 square feet and (ii) the construction and improvement of one (1) new mezzanine residential building on the Land totaling approximately 36,500 square feet, with principal uses across both buildings consisting of market-rate housing, affordable housing, and commercial retail space.
- 14. Creation of jobs: Upon its completion, the Project will bring approximately thirty-two (32) new permanent jobs to the surrounding area.

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

January 22, 2025 Page 6

representative of any affected tax jurisdiction present at the Public Hearing to address the Agency regarding the proposed deviation from the Agency's Uniform Tax Exemption Policy.

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

Sincerely,

Michael Neppl, Chair

City of Newburgh

Industrial Development Agency

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2025-01-22-03

RESOLUTION AMENDING CERTAIN PROVISIONS OF RESOLUTION NO. 2024-09-10-02 AND AUTHORIZING THE AGENCY TO ENTER INTO A RENEWAL OF A LEASE AGREEMENT

A regular meeting of City of Newburgh Industrial Development Agency (the "Agency") was convened in public session at 401 Washington Street, Newburgh, New York on January 22, 2025, at 6:30 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:

Michael Neppl	Chair
Alexandra Church	Vice Chair
Vickiana DeMora	Treasurer
Gregory Nato	Secretary
Christina Amato	Member
Sharonda Powell	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Cherisse Vickers Executive Director
Adriana Huaynalaya Financial Administrator
Robert J. McLaughlin, Esq. Agency Counsel

The following resolution was offered by ______, seconded by _____, 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(9) of the Act, the Agency is authorized and empowered to make contracts and leases, and to execute all instruments necessary or convenient to or with any person, firm, partnership or corporation, either public or private; and

WHEREAS, the Agency, as tenant, entered into a lease agreement dated December 31, 1997 (the "City Lease") with the City of Newburgh, as landlord and owner of that certain real property in the City of Newburgh, Orange County, State of New York, shown on the City of Newburgh Tax Maps as Section 50, Block 1, Lot 5, also being Lot No. 1 as shown on a map entitled "City of Newburgh Industrial Development Agency Final Plan Minor Subdivision", said map having been filed in the Orange County Clerk's Office on September 27, 1996 as Map No. 201-96 (the "Property"); and

WHEREAS, the Agency entered into a sublease, as amended, for the Property with Orange County-Poughkeepsie MSA Limited Partnership, a Delaware limited partnership ("ORP"), as subtenant, on or about February 1999 (the "Sublease"); and

WHEREAS, ORP, as the subtenant, constructed, or caused the construction of, a cell tower for use by the City and others; and

WHEREAS, pursuant to that certain assignment and assumption agreement dated December 6, 1999, by and between ORP and Crown Atlantic Company LLC, a Delaware limited liability company ("Crown Castle"), ORP assigned to Crown Castle all of its right, title and interest in and to the Sublease and the Property.

WHEREAS, the term of the Sublease expired on September 9, 2024 (the "Sublease Termination Date"); and

WHEREAS, the members of the Agency have determined that is it in the best interest of the Agency to extend the term of the Sublease Agreement; and

WHEREAS, by Resolution No. 2024-09-10-02 (the "Authorizing Resolution"), the Agency authorized the extension of the Sublease upon certain terms and conditions; and

WHEREAS, after negotiation between the parties to the Sublease, the Agency now desires to amend the terms and conditions upon which it will extend the Sublease as set forth in this Resolution.

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

<u>Section 1</u>. The Agency hereby approves the extension of the Sublease agreement (the "Sublease Extension") for a renewal term of five (5) successive five (5)-year periods (each five-year renewal period referred to as a "Renewal Term") subject to the following terms and conditions:

- (a) the Sublease Extension shall be subject to early termination by the Agency or any successor upon: (i) the date that immediately precedes the commencement of the third Renewal Term or (ii) the date that immediately precedes the commencement of the fifth Renewal Term (the date described in (i) and (ii) of this Section, hereinafter, referred to as the "Early Termination Date") which shall be exercised by written notice to Crown Castle not less than thirty (30) months prior to the Early Termination Date:
- (b) the Sublease Extension shall provide that if the Agency seeks early termination of the Sublease to pursue development on the Property, the Agency shall offer Crown Castle the option to relocate the communication tower to another site under the exclusive control of NIDA that is agreed upon by the parties, upon the same terms;
- (c) the Sublease Extension shall provide that within sixty days of the execution of the Sublease Extension, the subtenant shall pay to the Agency a renewal fee of \$20,000;
- (d) the Sublease Extension shall provide that all equipment utilized by the City of Newburgh on the cell tower shall continue to be provided free of charge; such other and further terms as the Executive Director and Agency Counsel deem advisable.
- (e) the Sublease Extension shall provide that the remaining terms of the Sublease will remain in full force and effect during the Sublease Extension.
- <u>Section 2</u>. The Chair or the Executive Director of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the extension of the Sublease.
- Section 3. The Chair and the Executive Director of the Agency are each hereby authorized to take all reasonable actions necessary to implement the provisions hereof.
 - <u>Section 4.</u> 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:

Michael Neppl	VOTING	
Alexandra Church	VOTING	
Vickiana DeMora	VOTING	
Gregory Nato	VOTING	
Christina Amato	VOTING	
Sharonda Powell	VOTING	

The foregoing resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
COUNTY OF ORANGE) SS.:)
do hereby certify that I have cor of the Agency held on January 2	tary of City of Newburgh Industrial Development Agency (the "Agency"). Inpared the foregoing extract of the minutes of the meeting of the members 22, 2025 with the original thereof on file in my office, and that the same is original and of the whole of said original so far as the same relates to the to.
(B) said meeting was in all resp "Open Meetings Law"), said me	If that (A) all members of the Agency had due notice of said meetings bects duly held; (C) pursuant to Article 7 of the Public Officers Law (the setting was open to the general public, and due notice of the time and place ordance with such Open Meetings Law; and (D) there was a quorum of the throughout said meeting.
I FURTHER CERTIFY and has not been amended, repe	that, as of the date hereof, the attached Resolution is in full force and effect aled or rescinded.
IN WITNESS WHERE day of, 202	OF, I have hereunto set my hand and affixed the seal of the Agency this5.
	Secretary
(SEAL)	

CITY OF NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY

Resolution No. 2025-01-22-04

RESOLUTION AUTHORIZING THE AGENCY TO ENTER INTO A SETTLEMENT STIPULATION

A regular meeting of City of Newburgh Industrial Development Agency (the "Agency") was convened in public session at the Newburgh Activity Center, 401 Washington Street, Newburgh, New York on January 22, 2025, at 6:30 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:

Michael Neppl

Chair

Alexandra Church

First Vice Chair

Gregory Nato

Secretary

Christina Amato

Member

Sharonda Powell

Member

ABSENT:

Vickiana DeMora

Treasurer

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

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(1) of the Act, the Agency is authorized and empowered to commence and settle litigation; and

WHEREAS, the Agency engaged Jacobowitz and Gubits LLP ("J&G Law LLP") as counsel for special litigation on February 22, 2024 pursuant to Resolution 2024-02-22-04; and

WHEREAS, J&G Law LLP did commence litigation on behalf of the Agency on or about April 2024; and

WHEREAS, J&G Law LLP, counsel for the Agency, has negotiated a settlement of such litigation and has recommended the Agency to (i) execute a Settlement Stipulation as laid before the Agency at this meeting in exchange for a Litigation Release in favor of the Agency, and (ii) make a payment to M&T Bank Corporation in the sum of \$350,000 in full settlement of the litigation.

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

- Section 1. The Agency hereby accepts and agrees to the settlement recommendation of J&G Law LLP, special counsel to the Agency, in connection with that certain action commenced in the Supreme Court of the State of New York in and for the County of Orange and entitled City of Newburgh Industrial Development Agency v. M&T Bank Corporation, Index No.: EF003563-2024.
- Section 2. The Chair and Vice Chair of the Agency, and J&G Law LLP as appropriate, are each hereby authorized to take all reasonable actions necessary to implement the provisions hereof, including, without limitation, the execution of the following documents in substantially the form presented to the Agency at this meeting: Stipulation of Discontinuance, Litigation Release (in favor of M&T Bank Corporation), and the Stipulation of Settlement.
- Section 3. Upon the execution of the documents resolving the litigation, including a Litigation Release in favor of the Agency, and the recommendation of J&G Law LLP, the Agency is authorized to pay to M&T Bank Corporation the settlement amount of \$350,000.

Section 4. 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:

Michael Neppl Alexandra Church Vickiana DeMora Gregory Nato Christina Amato	VOTING VOTING VOTING VOTING	YES YES ABSENT YES YES
Sharonda Powell	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 January 22, 2025 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 _____day of ______, 2025.

Secretary

(SEAL)