

**CITY OF NEWBURGH
INDUSTRIAL DEVELOPMENT AGENCY**

Resolution No. 2025-04-21-08

**APPROVING RESOLUTION
LIBERTY STREET APARTMENTS, LLC PROJECT**

A regular meeting of the 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 April 21, 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 Nepl	Chair
Alexandra Church	Vice Chair
Vickiana DeMora	Treasurer
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 Alexandra Church, seconded by Vickiana DeMora, to wit:

RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT AND PROJECT ASSIGNMENT FOR LIBERTY STREET APARTMENTS, LLC.

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

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct, lease, improve, maintain, equip, and furnish one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed, leased, improved, maintained, equipped and furnished, and to convey said projects or to lease said projects; and

WHEREAS, on August 16, 2024, Liberty Street Apartments, LLC, by its predecessor in interest, 50-72 Liberty Street LLC (collectively, 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 application has been updated and amended by the Company prior to the holding of the public meeting described below (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 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"), (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 Application addresses a housing need in the City of Newburgh which is consistent with Governor Hochul’s Executive Order No. 30 (July 18, 2023) (the “Executive Order”) requiring all Affected State Entities (including public authorities defined in section two of the public authorities law) to consider the goal of creating additional housing in any policy or programmatic decisions and where appropriate shall collaborate with other Affected State Entities to effectuate that goal; and

WHEREAS, by Resolution Nos. 2024-12-16-02 and 2024-10-21-03, adopted by the members of the Agency respectively on December 16, 2024 and October 21, 2024 (collectively, the “Public Hearing Resolution”), the Agency authorized a public hearing (the “Public Hearing”) to be held pursuant to Section 859-a of the Act with respect to the Project; 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 of Orange, the City of Newburgh, and the Newburgh Enlarged City School District, the school district in which the Project is located (collectively, the "Affected Tax Jurisdictions") prior written notice (the “Deviation Notice”) of the proposed deviation from the Policy and the reasons therefore; and

WHEREAS, the Pilot Request was for a term of thirty-two (32) years for the entire parcel of the Project Facility, including the existing land and new improvements; and

WHEREAS, the Pilot Request of thirty-two (32) years is consistent with the provisions of Section 577 of the Private Housing Finance Law, which permits tax exemption for a housing development up to forty (40) years; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chair and the Executive Director of the Agency (A) caused notice of the Public Hearing of the Agency pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, including the Pilot Request for a deviation from the Policy, to be mailed on January 6, 2025 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on December 19, 2024 on the Agency’s website and also on a public bulletin board located at the Newburgh City Hall located at 83 Broadway, City of Newburgh, Orange County, New York, (C)

caused notice of the Public Hearing to be published on December 22, 2024 in the Times Herald Record, a newspaper of general circulation available to the residents of the City of Newburgh, Orange County, New York, (D) conducted the Public Hearing on January 22, 2025 at 6:30 o'clock p.m., local time at offices of the Newburgh Activity Center, 401 Washington Street, Newburgh, New York, and (E) caused to be prepared a report of the Public Hearing (the "Public Hearing Report") fairly summarizing the views presented at such Public Hearing and caused a copy of said Public Hearing Report to be made available to the members of the Agency and the public by posting the same to the Agency website; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York at 6 NYCRR Part 617 (the "Regulations", and collectively with the SEQR Act, "SEQRA"), the Agency has been informed that (1) the City of Newburgh Planning Board (the "Planning Board") declared its intent to act as "lead agency" for a "coordinated review" of a "Type I Action" with respect to the Project on December 19, 2023, (2) the Planning Board exercised due diligence in identifying other "involved agencies" known at that time; (3) the Planning Board declared itself as the Lead Agency for the coordinated review of the Project on February 20, 2024 pursuant to 6 NYCRR 617.6; and (4) the Planning Board issued a Determination of Significance through the issuance of a Negative Declaration issued on June 18, 2024 (the "Negative Declaration"), determining that the acquisition, reconstruction, renovation and installation of the Project Facility will not have any significant adverse environmental impacts; and

WHEREAS, the Agency determined by Resolution No. 2025-04-21-05 dated April 21, 2025 (the "SEQRA Resolution") that (i) the Agency is an "involved agency" with respect to the Project, (ii) the Agency (1) concurred in the determination by the Planning Board, as "lead agency" with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and (2) determined that it had no information to suggest that the Planning Board was incorrect in determining that the Project will not have a "significant effect on the environment" pursuant to SEQRA and (iii) that by reason of the foregoing, the Agency determined that no environmental impact statement need be prepared with respect to the Project; and

WHEREAS, by further resolution No. 2025-04-21-06 adopted by the members of the Agency on April 21, 2025 (the "Commercial/Retail Finding Resolution"). the Agency (A) determined that the Project constituted a "Commercial Project" within the meaning of the Act, (B) found that although the Project Facility appears to include facilities or properties that are primarily used in making retail sales of goods or services to customers who personally visit such facilities, such facilities will not constitute more than one-third of the costs of the Project, (C) and determined, following a review of the Public Hearing Report, that the Project would serve the public purposes of the Act by creating direct and indirect private sector jobs in the State of New York; and

WHEREAS, by Resolution No. 2025-04-21-07 adopted by members of the Agency on April 21, 2025 (the “Pilot Deviation Approval Resolution”), the members of the Agency determined to deviate from the Agency’s Policy with respect to the Project; and

WHEREAS, to aid the Agency in determining whether the Project qualifies for Financial Assistance as a commercial project within the meaning of the Act, the Agency has reviewed the following (collectively, the “Project Qualification Documents”): (A) the Application; (B) the published Cost Benefit Analysis dated December 6, 2024, as amended and updated (the “CBA”), and prepared by the MRB Group at the request of the Agency and which was discussed with the public at the Public Hearing; (C) the published Test of Reasonableness dated December 5, 2024, as amended and updated, and prepared by the MRB Group at the request of the Agency and which was discussed with the public at the Public Hearing; (D) the transcript of the Public Hearing, respectively; (E) the Opinion of the State Comptroller Number 85-51; (F) the Executive Order; (G) the Newburgh Housing Report (Working Paper I: Housing Needs Assessment) dated June 4, 2021; and (H) copies of correspondence from the public supporting the commercial/economic impacts of the Project (the “Local Support”); and

WHEREAS, pursuant to the CBA, the Project is projected to (A) create approximately 158 direct and indirect full-time equivalent construction jobs at the Project Facility during the approximately twelve month construction period; (B) the Project will result in 52 permanent jobs, from new household spending and onsite operations, earning approximately \$2,488,153.00 in wages on an annual basis; (C) Orange County will benefit from additional, one-time sales tax revenue of \$48,343.00 associated with construction wages earned during the construction phase and additional sales tax revenue of \$259,463.00 related to new wages earned from permanent jobs and additional sales tax revenue of \$752,512.00 related to new household spending; and (D) over the course of the 32 years, the Project will generate an increase of \$7,982,371.00 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, pursuant to the Test of Reasonableness, the requested Financial Assistance is reasonable and will provide the Company (A) a reasonable, risk-adjusted internal rate of return; and (B) permit an acceptable debt service ratio coverage for the Project for financing purposes; and

WHEREAS, during the Public Hearing, no letters, petitions and/or signatures in opposition were received by the Agency; and

WHEREAS, during the Public Hearing, six (6) verbal comments were received in opposition to the deviation from the Agency’s Policy with respect to the Project; and

WHEREAS, after the Public Hearing, the following letters and/or signatures in support of the Project were received by the Agency which are attached to the Public Hearing Report:

<u>NAME</u>	<u>NAME</u>
Andres Santiago	Robert Fontine and Monica Coronatti
Anoushae Eirabie	Doria Paci

Austin DuBois	Eli Vaknin
Bibi Lorenzetti	Jonathan Falcon
Brandon Grimila	Katherine Iles
Carson Carter	Kelly Schroer
Dan Gilbert	Safe Harbors of the Hudson
Matthew Iles	Megan Galbraith
Michele Basch	Nadia Tarr
Naomi Hersson-Ringskog	Sam Ottenhoff
Sam Satanovsky	Wendy W. Smith

; and

WHEREAS, pursuant to Section 862(2)(b) of the Act, the Agency would be authorized to provide financial assistance in respect of the Project provided that the obligation of the Agency to proceed with the Project was subject to certain conditions, including, following compliance with the procedural requirements of Sections 859-a and 874(4) of the Act, a finding by the Agency that the Project would preserve permanent, private sector jobs in the State of New York or increase the overall number of permanent, private sector jobs in the State of New York; and

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

WHEREAS, subject to compliance with the terms hereof and the execution and delivery of the Lease Documents (as defined hereinbelow) by each of the Company and, as applicable, the Agency will: (i) designate the Company as its agent for the purpose of acquiring, constructing, equipping and completing the Project pursuant to a project agreement setting forth the Financial Assistance being provided (the "Project Agreement"); (ii) acquire a leasehold interest in the Project through the negotiation, execution and delivery of a lease agreement (the "Lease Agreement"), a leaseback agreement (the "Leaseback Agreement"), a bill of sale (the "Bill of Sale"), an environmental compliance and indemnification agreement (the "Environmental Compliance and Indemnification Agreement") and all other documents and certificates required by the Agency to confer the approved Financial Assistance, each of the foregoing with the Company (the "Miscellaneous Documents" and together with the Project Agreement, the Lease Agreement, the Leaseback Agreement, the Bill of Sale and the Environmental Compliance and Indemnification Agreement, collectively, the "Lease Documents"); (iii) secure the Company's borrowings with respect to the Project Facility by joining in one or more construction or permanent mortgages and assignment of leases and rents on the Project Facility in favor of the Company's lender(s); (iv) provide the Financial Assistance to the Company in the form of (a) State and local sales and use tax exemption for purchases and rentals related to the acquisition, construction, equipping and completion of the Project, (b) a payment in lieu of tax agreement, and (c) a mortgage recording tax exemption for financing related to the Project; and

WHEREAS, the Lease Documents, in substantially similar form to those used for other projects, and related documents will be negotiated and presented to the Agency for execution and delivery subject to the approval of these resolutions.

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

Section 1. (a) The Public Hearing is hereby closed to further written public comments; and (b) all action taken by the Chair and/or any Member or staff of the Agency with respect to the Public Hearing and the with respect to the Project, the requested Financial Assistance, the Pilot Request and the Pilot Deviation is hereby ratified and confirmed.

Section 2. The law firm of Whiteman Osterman & Hanna LLP is hereby appointed Agency Counsel to the Agency with respect to all matters in connection with the Project. Agency Counsel for the Agency is hereby authorized, at the expense of the Company and Assignee, to work with the Company and Assignee, counsel to the Company and Assignee, and others to prepare, for submission to the Agency, all documents necessary to affect the transactions contemplated by this Resolution. Agency Counsel has prepared and submitted an initial draft of the Agency Documents to staff of the Agency.

Section 3. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Commercial/Retail Finding Resolution, the Pilot Deviation Approval Resolution, the Executive Order, and the Project Qualification Documents, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;

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

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

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$74,273,933.00.

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

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

(G) The Agency has determined: (i) the Project is located in a “highly distressed area” (as defined in the Act); (ii) (1) the Project Facility will provide necessary infrastructure and other opportunities for area employers and businesses, (2) the completion of the Project Facility will have a positive impact upon the creation, retention and expansion of employment opportunities in the City of Newburgh and in the State of New York; (3) the completion of the Project will assist in promoting employment opportunities and assist in preventing economic deterioration in the City of Newburgh and in the State of New York; (4) the acquisition, construction and installation of the Project Facility is essential to the creation of new employment opportunities and is essential to the prevention of economic deterioration of businesses and neighborhoods located in the City of Newburgh; (5) the undertaking of the Project will serve the public purposes of the Act by preserving and creating permanent private sector jobs in the State of New York; (6) the Project will create productive use of vacant industrial land in the City of Newburgh; and (7) the granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the general prosperity and economic welfare of the citizens of the City of Newburgh, Orange County, New York and the State of New York and improve their standard of living, by providing a commercial project, thereby serving the public purposes of the Act;

(H) The Agency has reviewed all information it has received relating to the Project including without limitation the Application and related supplemental materials submitted by the Company, the Public Hearing Report. After consideration of such information, documents, comments and opinions, the Agency finds as follows:

- (i) The Agency Documents will require that the Company, or its successors or assigns, comply with any requirements of the City Planning Board and Department of Buildings prior to the receipt of any Financial Assistance; and
- (ii) Special Districts will not be affected by the Pilot Request; and
- (iii) In the event the Company cancels or withdraws from the Payment in Lieu of Tax Agreement prior to its termination as described in the closing documents with the Agency, the Uniform Project Benefits Agreement will provide for the recapture of the real property taxes which would otherwise have been due in consideration of the Project; and
- (iv) By reason of the Pilot Request, the Agency reviewed the CBA and the Test of Reasonableness Report prepared by the Agency’s consultant. The Test of Reasonableness Report concludes that the requested Financial Assistance is reasonable and will provide the Company (A) a reasonable, risk-adjusted internal rate of return; and (B) permit an acceptable debt service ratio coverage for the Project for financing purposes.

(I) The Project should receive the Financial Assistance in the form of exemption from real property taxes based on (1) the Company’s statement that the Project will not proceed

without such Financial Assistance, including the PILOT Request, and (2) the CBA and Test of Reasonableness undertaken by the Agency and the description of expected public benefits to occur as a result of this Project, as described on **Exhibit A** attached hereto and failure by the Assignee to meet the expected public benefits will result in a recapture event, as described on **Exhibit B** attached hereto; and

(J) The Project will be subject to the Agency’s Local Labor Policy (the “Labor Policy”). In accordance with such Labor Policy, and the practice of the Agency, the Company will deposit with the Agency, together with the execution of the Agency Documents, a sufficient amount 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.

(K) The Company will submit such evidence supporting the benefits provided to the Project annually as required by the Agency Documents and the State Authorities Budget Office including, without limitation, certified payroll reports. The Agency reserves the right to utilize the Agency Independent Monitor in reviewing any and all annual compliance information and records, including, but not limited to, the review required under the Labor Policy. The fees of the Agency Independent Monitor for the annual review shall be paid annually by the Company and be in addition to the fees paid to the Agency Independent Monitor for compliance review of the Labor Policy.

(L) In accordance with the CBA, the projected total Financial Assistance provided to the Company for the Project is as follows:

<u>TYPE OF FINANCIAL ASSISTANCE</u>	<u>AMOUNT OF APPROVED FINANCIAL ASSISTANCE</u>
Payment in Lieu of Real Estate Taxes	\$7,173,372 (cumulative)
TOTAL APPROVED FINANCIAL ASSISTANCE	\$7,173,372

(M) It is desirable and in the public interest for the Agency to approve the Application and to enter into the Agency Documents.

Section 4. The Agency is hereby authorized, without limitation (A) to acquire a license in the Licensed Premises pursuant to the License Agreement, if applicable, (B) to acquire a leasehold interest in the Leased Premises pursuant to the Underlying Lease, (C) to acquire title to the Equipment pursuant to a bill of sale (the “Bill of Sale to Agency”) from the Assignee to

the Agency, and (D) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

Section 5. The Agency is hereby authorized to acquire, construct and install the Project Facility as described in the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition, construction and installation are hereby ratified, confirmed and approved.

Section 6. The Payment in Lieu of Tax Agreement shall provide for annual payments (each a "Pilot Payment" and together "Pilot Payments") for the entire Project Facility as follows:

PILOT TAX YEAR	PILOT PAYMENT DUE	APPROXIMATE PILOT ABATEMENT PERCENTAGE*
1	\$108,750	69%
2	\$112,013	69%
3	\$115,373	69%
4	\$118,834	69%
5	\$122,399	68%
6	\$126,071	68%
7	\$129,853	68%
8	\$133,749	67%
9	\$137,761	67%
10	\$141,894	67%
11	\$146,151	66%
12	\$150,535	66%
13	\$155,051	66%
14	\$159,703	65%
15	\$164,494	65%

16	\$169,429	65%
17	\$174,512	64%
18	\$261,768	47%
19	\$269,621	47%
20	\$277,709	46%
21	\$286,041	46%
22	\$294,622	45%
23	\$303,461	45%
24	\$312,564	44%
25	\$321,941	44%
26	\$482,912	17%
27	\$497,399	16%
28	\$512,321	15%
29	\$527,691	14%
30	\$543,522	14%
31	\$559,827	13%
32	\$576,622	12%

*Illustrative percentages – actual may vary.

In addition, the Payment in Lieu of Tax Agreement shall require the Company to comply with the following provisions:

(i) The Company shall make annual Pilot Payments in the amounts set forth in the table above, measured from the First Taxable Status Date. The First Taxable Status Date shall be the taxable status date following the date that a permanent certificate of occupancy is issued by the City of Newburgh.

(ii) Annual Pilot Payments shall cover all local and municipal taxes owed in connection with the Project and the Project Facility and such payment shall be shared by taxing jurisdictions on the same basis as property taxes would be shared if the Project and the Project Facility were fully taxed.

(iii) The Company shall (a) enter into a regulatory agreement with the New York State Division of Housing and Community Renewal (the “Regulatory Agreement”) incorporating the affordability requirements set forth in Exhibit B attached to this Resolution, (b) record the Regulatory Agreement against the Project Facility, and (c) comply with the terms set forth in the Regulatory Agreement throughout the term of the Payment in Lieu of Tax Agreement.

(iv) For so long as the Payment in Lieu of Tax Agreement shall remain in effect, annual Pilot Payments set forth in this section shall not be reduced for any reason.

Section 7. The Chair (or Vice Chair) of the Agency, with the assistance of Agency Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 8. (A) The Chair, the Vice Chair, or the Executive Director of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in the forms thereof as the Chair (or Vice Chair) shall approve, the execution thereof by the Chair (or Vice Chair) to constitute conclusive evidence of such approval.

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

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. 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 Neppi	VOTING	YES
Alexandra Church	VOTING	YES
Vickiana DeMora	VOTING	YES
Sharonda Powell	VOTING	YES

The foregoing Resolution was thereupon declared duly adopted.

EXHIBIT A

DESCRIPTION OF THE EXPECTED PUBLIC BENEFITS

In the discussions had between the Project Beneficiary (Liberty Street Apartments LLC) and the Agency with respect to the Project Beneficiary's request for Financial Assistance (including, without limitation, the PILOT Request) from the Agency with respect to the Project, the Project Beneficiary has represented to the Agency that the Project is expected to provide the following benefits to the Agency and/or to the residents of the City of Newburgh, Orange County, New York (the "Public Benefits"):

Description of Benefit		Applicable to Project (indicate Yes or No)		Expected Benefit
1.	Retention of existing jobs	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Zero (0) full time equivalent existing jobs at the Project Facility (vacant or abandoned land).
2.	Creation of new permanent jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Two (2) full time or part time private sector jobs at the residential units of the Project Facility, plus twelve (12) full time or part time private sector jobs at the commercial units of the Project Facility, and up to six (6) indirect full time or part time private sector jobs at the Project Facility within twelve (12) months of completion of the Project.
3.	Estimated of tax exemptions	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Approximately \$7,173,372 in real estate tax exemption.
4.	Creation of construction employment for local labor (i.e., labor resident in the area comprised of Hudson Valley Region as described in Agency Local Labor Policy)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Average of one hundred forty-eight (148) direct and ten (10) indirect full time equivalent construction jobs at the Project Facility for local labor during an estimated construction period of eighteen (18) months, commencing within ten (10) months of the closing of the Lease Documents. The Company agrees that the Project will comply with the Agency's Local Labor Policy. In connection with Labor Policy, the Agency will contract with an independent consultant to review the Company's compliance with

				the Labor Policy and the Company will establish an escrow account with the Agency for the purposes of paying the costs and fees of such independent consultant.
5.	Private sector investment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	\$74,273,933.00 invested (or expense incurred) at the Project Facility within forty-eight (48) months of the date of the Approving Resolution for the Project.
6.	Creation of new revenues for local taxing jurisdictions	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	\$9,042,690 of new revenues for local taxing jurisdictions and special districts with respect to the Project Facility over the life of the Project.
7.	Attract customers from outside the Economic Development Region	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Project is a combined commercial/residential project; some commercial units may attract customers from outside the City of Newburgh but it is not a primary goal of the Project.
8.	Adaptive reuse of an existing deteriorating structure.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Project is new construction on vacant land.
9.	Regional wealth creation (majority of sales/customers from outside of the City)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	The Project will serve the residents of the City of Newburgh.
10.	Alignment with local planning and development efforts	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The City Planning Department has approved the Project.
11.	Promotes walkable community areas	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Project will create daily/multiple day employees in the City of Newburgh, which will promote local use of restaurants, entertainment and other amenities.
12.	Elimination or reduction in blight	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Current land is vacant and underutilized.
13.	Historic building designation	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Not applicable.
14.	Brownfield remediation	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Project is not located on a brownfield site.

EXHIBIT B

DESCRIPTION OF THE RECAPTURE EVENTS

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

1.	Failure of the Project Beneficiary to document to the satisfaction of the Agency the commencement of the acquisition, construction, reconstruction, renovation, and/or installation of the Project Facility within eighteen (18) months of the date of the Approving Resolution for the Project.
2.	Failure of the Project Beneficiary to document to the satisfaction of the Agency the completion of the acquisition, construction, reconstruction, renovation, and/or installation of the Project Facility within twenty-four (24) months of the commencement of construction.
3.	Failure by the Project Beneficiary to document to the satisfaction of the Agency the creation of at least 85% of the average full time equivalent local labor construction jobs at the Project Facility during the construction period described on Exhibit A .
4.	Failure by the Project Beneficiary to document to the satisfaction of the Agency the creation of at least 80% of the full time equivalent new jobs at the Project Facility listed on Exhibit A .
5.	Failure by the Project Beneficiary to document to the satisfaction of the Agency that at least 80% of the private sector investment described on Exhibit A occurred with respect to the Project Facility within twelve (12) months of the date of the Approving Resolution for the Project.
6.	Failure by the Project Beneficiary to document to the satisfaction of the Agency that at least 80% of the new revenues for local taxing jurisdictions and special districts described on Exhibit A on a pro rata basis.
7.	Failure by the Project Beneficiary to document to the satisfaction of the Agency that the Project has substantially complied with the requirements of the Agency SEQR Resolution.
8.	Liquidation of substantially all of the Project Beneficiary's (or its members or related party) operating assets at the Project Facility and/or cessation of substantially all of the Project Beneficiary's operations at the Project Facility during the initial 10 years after completion of the Project.
9.	Relocation of all or substantially all of Project Beneficiary's operations at the Project Facility to another site, or the sale, lease or other disposition of all or substantially all of the Project Facility at any time.
10.	Failure by the Project Beneficiary to comply with the annual reporting requirements or to provide the Agency with requested information.
11.	Failure by the Project Beneficiary to comply with any of the terms and provisions of the closing documents for the financial assistance approved by the Agency.
12.	Sublease or assignment of all or part of the Project Facility in violation of any Project Facility Agreement.
13.	A change in the use of the Project Facility, other than as described on Exhibit A and other directly and indirectly related uses, in violation of any Project Facility Agreement.

14.	Failure by the Project Beneficiary to use best efforts to secure a sub-lease(s) with end-user sub-tenant(s) for the majority of the commercial portion of the Project Facility, within twelve (12) months of the date of completion of the Project by the Project Beneficiary.
15.	Failure by the Project Beneficiary to use best efforts to establish an apprenticeship program with Orange County Community College or other workforce development or training program serving the City of Newburgh residents for construction industry jobs within one (1) month of commencement of construction as required by the Agency Local Labor Policy.
16.	Failure by the Project Beneficiary to document to the satisfaction of the Agency that the Project (except for the designated commercial/retail portion of the Project and the eighteen (18) designated market rate units) continues to be used as housing facilities for the purpose of providing residential rental and supportive housing accommodations at rate(s) restricted to, on average, 80 percent of Area Median Income, and (b) that the Project Beneficiary (or a successor by reason of foreclosure) continues to own and operate the Project in accordance with applicable law, rule or regulation.
17.	Failure by the Project Beneficiary to keep in full force and effect a Regulatory Agreement recorded against the Project Facility with the following affordability requirements: a) eight (8) units shall have rents affordable to households earning at or below 30% of the Area Median Income (“AMI”); b) forty-seven (47) units shall have rents affordable to households earning at or below 50% of the AMI; c) fifty (50) units shall have rents affordable to households earning at or below 60% of the AMI; d) eleven (11) units shall have rents affordable to households earning at or below 70% of the AMI; and e) eleven (11) units shall have rents affordable to households earning no more than 80% of the AMI. For purposes of this section: i) “Area Median Income or AMI” is Area Median Gross Income as determined by the U.S. Department of Housing and Urban Development for Orange County; and ii) “Affordable” means gross rents, excluding Section 8 payments, utility allowance, and other amounts excluded under Low Income Housing Tax Credit (“LIHTC”) Regulations, not to exceed thirty percent (30%) of the specified Area Median Income, adjusted for unit size in the manner provided in the LIHTC Regulations.