



The City of Poughkeepsie New York

Common Council Meeting Minutes

Tuesday, November 18, 2025

6:30 PM

Common Council Chambers

**Welcome to the regularly scheduled Meeting of the City of Poughkeepsie
Common Council the date is November 18, 2025, and the time is 6:30pm**

I. ROLL CALL

7 Present, 2 Absent (3rd Ward Council Member Terriciena Brown, 8th Ward Councilmember Sakima McClinton)

II. REVIEW OF MINUTES

A motion to Approve was made by 6th Ward Council Member Grant and seconded by 4th Ward Council Member Shook.

PH Minutes and CCM Minutes of November 3, 2025- VOICE VOTE	
Yes/Aye:	1st Ward Council Member Henry, 2nd Ward Councilmember Menist, 5th Ward Council Member James, 6th Ward Council Member Grant, 7th Ward Council Member Patterson Thompson, 4th Ward Council Member Shook, Council Member At-Large Wilson
No/Nay:	None
Abstain:	None
Absent:	3rd Ward Council Member Brown, 8th Ward Councilmember McClinton
Result:	Passed

1. Common Council Public Hearing Minutes of November 3, 2025 - Override Tax Levy
2. Common Council Meeting Minutes of November 3, 2025

III. READING OF ITEMS by the City Chamberlain of any resolutions not listed on the printed agenda

IV. PRESENTATIONS OF PETITIONS AND COMMUNICATIONS:

A motion to Defer to Corporation Counsel was made by 2nd Ward Councilmember Menist and seconded by 6th Ward Council Member Grant.

Motion to Defer Items 1 - 6 to Corporation Counsel- VOICE VOTE	
Yes/Aye:	1st Ward Council Member Henry, 2nd Ward Councilmember Menist, 5th Ward Council Member James, 6th Ward Council Member Grant, 7th Ward Council Member Patterson Thompson, 4th Ward Council Member Shook, Council Member At-Large Wilson
No/Nay:	None
Abstain:	None
Absent:	3rd Ward Council Member Brown, 8th Ward Councilmember McClinton
Result:	Passed

1. **FROM BRADFORD CURRIER**, a notice of claim for personal injury sustained on August 31, 2025
2. **FROM JACQUELINE ROMAN**, a notice of claim for personal injury sustained on September 8, 2025
3. **FROM EBONY COLEMAN**, a notice of claim for personal injury sustained on August 22, 2025
4. **FROM CYNTHIA MARCINELLI**, a notice of claim for personal injury sustained on September 5, 2025
5. **FROM GOLD FORK VENTURES, INC.**, a 30-Day Advance Notice of New York State liquor license application
6. **FROM QUEEN CITY LOUNGE**, a 30-Day Advance Notice of New York State liquor license application

V. PUBLIC PARTICIPATION:

Three (3) minutes per person up to 45 minutes of public comment on any agenda and non-agenda item.

Suprina Troche- 3 Delafield St
Doug Nobiletti
Laurie Sandow- S. Grand Ave*
Laurel Spuhler- Parkwood Blvd
Esther Wood- South Ave

***Submitted written comments for the official record**

VI. NEW & UNFINISHED BUSINESS & ANNOUNCEMENTS:

VII. REPORTS OF COMMITTEES AND BOARDS:

VIII. CONSENT AGENDA: MOTIONS AND RESOLUTIONS:

A motion to Approve was made by 2nd Ward Councilmember Menist and seconded by 6th Ward Council Member Grant.

Motion to Approve the Consent Agenda - VOICE VOTE	
Yes/Aye:	1st Ward Council Member Henry, 2nd Ward Councilmember Menist, 5th Ward Council Member James, 6th Ward Council Member Grant, 7th Ward Council Member Patterson Thompson, 4th Ward Council Member Shook, Council Member At-Large Wilson
No/Nay:	None
Abstain:	None
Absent:	3rd Ward Council Member Brown, 8th Ward Councilmember McClinton
Result:	Passed

1. **R-25-81**, Resolution Approving Lease Agreement with Option to Purchase at 232 Hooker Avenue

RESOLUTION

(R-25-81)

SPONSORED BY: CHAIRMAN WILSON, COUNCILMEMBERS SHOOK, HENRY, BROWN, JAMES AND MCCLINTON

WHEREAS, on August 5, 2025, the City’s Hooker Avenue Firehouse (the “Firehouse”) suffered damage of the second floor due to a fire, resulting in the displacement of firefighters assigned to that firehouse; and

WHEREAS, the firefighters currently assigned to this Firehouse are stationed at the Firehouse during the day, but spend their evenings at 505 Main Street;

WHEREAS, around the same time, Marshall & Sterling (M&S) decided to vacate the building they own at 232 Hooker Avenue, Poughkeepsie, New York (the “Property”) located on the property immediately next door to the Firehouse and including the parking lot located behind the Firehouse; and

WHEREAS, the City and M&S have discussed entering into a lease agreement with the option to purchase the Property; and

WHEREAS, leasing this Property will allow for sleeping, kitchen and showering spaces for the firefighters assigned to this Firehouse; and

WHEREAS, the Property has the potential for additional City uses including offices and meeting rooms; and

WHEREAS, M&S has agreed that the full \$5,000 monthly lease payments will be credited toward the purchase price should the City exercise the option to purchase as set forth in the Lease Agreement with Option, annexed hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Administrator are hereby authorized and directed to do all things necessary to give effect to the terms of this resolution including but not limited to the execution of the attached Lease Agreement with Option.

NET LEASE AGREEMENT

THIS NET LEASE AGREEMENT (“Agreement”) made as of the ___ day of November 2025 (the “Effective Date”) by and between **MARSHALL & STERLING REALTY LLC**, a New York limited liability company (“Landlord”), and the **CITY OF POUGHKEEPSIE**, a municipal Corporation with an address at City Hall, 62 Civic Center Plaza, Poughkeepsie, New York (“Tenant”).

W I T N E S S E T H:

WHEREAS, Landlord is the record owner of fee simple title to that certain parcel of real property located at 232 Hooker Avenue, Poughkeepsie in Dutchess County, New York described in Exhibit “A” attached hereto and made a part hereof (the “Land”), upon which there exists a building (the “Building”) and related amenities, facilities, improvements and appurtenances thereto, including but not limited to parking facilities (collectively, the “Improvements”);and

WHEREAS, Tenant desires to lease from Landlord, and Landlord has agreed to lease to Tenant, all of the Land and Improvements (together the “Demised Premises” or “Premises”), upon the terms and conditions set forth herein; and

WHEREAS, Tenant, for itself or an affiliated entity, desires to maintain an option to purchase the Land, Building and all Improvements on terms set forth in Exhibit B which allocates a portion of the funds paid under this Agreement to the purchase agreement;

NOW, THEREFORE, for and in consideration of the premises hereof, the sums of money to be paid hereunder, and the mutual and reciprocal obligations undertaken herein, the parties hereby agree as follows:

1. Demise. For and in consideration of the Base Rent and Additional Rent herein reserved and required to be paid and of the mutual covenants, promises and agreements herein contained, Landlord hereby demises, lets and leases unto Tenant, and Tenant hereby leases and lets from Landlord, the entire Demised Premises, upon the terms and conditions hereinafter set forth, subject only to Landlord’s temporary reservation of the right to continue the use of the basement area of the building for a period of 120 days commencing on the Commencement Date.

2. Quiet Enjoyment. Landlord hereby warrants that so long as Tenant keeps and performs the terms and conditions herein contained by Tenant to be kept and performed, Tenant shall have quiet, continuous and undisturbed possession of the Demised Premises, free from the claims of Landlord, except as reserved herein, and all persons claiming under, by, or through Landlord.

3. Term.

(a) The initial term of this Lease shall begin on the date of November 15, 2025 (“Commencement Date”) and shall end twelve (12) months after the Commencement Date, (also the “**Rent Commencement Date**”). The initial term of the Lease, as set forth above, is sometimes

hereinafter referred to as the “**Initial Term**”, and the Initial Term, as the same may be extended in accordance with the provisions hereof, is sometimes hereinafter referred to as the “**Term**”. For purposes of this Lease, the term “**Lease Year**” shall mean each consecutive period of twelve (12) calendar months, commencing on the first day of the calendar month immediately following the month in which the Commencement Date occurs (unless the Commencement Date occurs on the first day of a month, in which event the first Lease Year shall commence on the Commencement Date) and on each anniversary of such day thereafter.

(b) Notwithstanding anything herein to the contrary, and provided that Tenant is not in default hereunder, Tenant shall have the right to extend this Lease for a period of six (6) months, by delivering written notice to Landlord no later than the later of 5:00 p.m. on May 31, 2026 or prior to expiration of the Initial Term, with such extension on the same Terms as set forth in this Lease Agreement.

(c) EVIDENCE OF TITLE. Upon execution of this Agreement, Landlord shall deliver to Tenant, any title information in Landlord’s possession or control. Tenant may order a Title Commitment from the Title Company of Tenant’s choice, (hereinafter sometimes referred to as “Title Agent”), a commitment for title insurance agreeing to issue to Tenant either a leasehold policy, or, if Tenant exercises the option separately granted hereunder, upon recording of the deed to Tenant, a fee owner’s policy of title insurance in the amount of the Purchase Price insuring the title of Tenant to the Premises, subject only to the Permitted Exceptions (as hereinafter defined) and the so-called “Standard Exceptions” contained on the inside jacket cover of the standard ALTA Form B of commitment. Said commitment shall provide that said Standard Exceptions will be deleted upon furnishing to Title Agent a lien, possession and encumbrance affidavit in the customary form. If Tenant is not satisfied with the results of the title commitment, Tenant may as a matter of right, terminate this Agreement by written notice to Landlord at any time prior to the end of the Initial Term, and the parties shall be relieved of further liability for performing hereunder.

4. Base Rent. Tenant shall pay to Landlord in equal monthly installments, in advance (together with all sales tax or other similar tax or levy thereon) beginning on the Rent Commencement Date, base rent in the amount of SIXTY THOUSAND and no/100 Dollars (\$60,000.00) annual rent or Five Thousand and 00/100 Dollars (\$5,000.00) monthly rent (“**Base Rent**”).

Each monthly payment of Base Rent shall be due on the first day of each and every month during the Term hereof without notice or demand or any right of set-off, except as otherwise set forth herein. In the event the Rent Commencement Date shall be a day other than the first day of a month, the Base Rent payable hereunder for the first month of the Initial Term shall be prorated, and Tenant shall pay to Landlord on the Rent Commencement Date the prorated rent for that month plus the first full Base Rent installment. All said sums, all sums hereinafter denominated Additional Rent, and all other sums provided in this Lease to be paid by Tenant, constitute rent under this Lease. Tenant shall pay to Landlord a sum equal to five percent (5%) of any such payment which is not paid within ten (10) business days after the date the same is due to compensate Landlord for the increased cost and expense which Landlord and Tenant agree Landlord will incur in administering

such late payments. Landlord reserves the right, but shall have no obligation, to pay any monies due by Tenant for utilities, taxes, insurance or by virtue of any other covenants of this Lease if the same shall not be paid promptly when due and remains unpaid ten (10) days after written notice from Landlord to Tenant of Landlord's intention to so pay the same on behalf of Tenant, and said sums so paid by Landlord shall be due immediately upon payment, in addition to 10% interest on the amount advanced by Landlord without notice or demand, and shall constitute Additional Rent under this Lease.

5. Security Deposit. Within three (3) business days after the execution of this Lease, a security deposit in the amount of \$00.00 shall be delivered to Landlord, to be held by Landlord's attorneys in the attorney escrow account, as security for the payment by Tenant of the rents herein agreed to be paid by Tenant and for the faithful performance by Tenant of the terms and covenants of this Lease. It is agreed that Landlord, at Landlord's option, may at any time apply said sum or any part thereof towards the payment of rents and all other sums payable by Tenant under this Lease, and towards the performance of each and every of Tenant's covenants under this Lease after Notice to Tenant providing ten (10) days to cure or dispute any such obligation, but such covenants and Tenant's liability under this Lease shall not thereby be discharged; that Tenant shall remain liable for any amounts that such sum shall be insufficient to pay; that Landlord may exhaust any or all rights and remedies against Tenant before resorting to said sum, but nothing herein contained shall require or be deemed to require the Landlord so to do: that, in the event such deposit shall not be utilized for any such purposes, then such deposit shall be returned by Landlord to Tenant within 60 days after the expiration of the Term of this Lease. Landlord shall pay Tenant interest on said security deposit at the rate generally available at Landlord's attorney's depository bank.

6. Condition. Tenant expressly acknowledges that the Premises are being leased to Tenant in their "AS-IS, WHERE IS" condition, "WITH ALL FAULTS", that, except as expressly set forth herein, Landlord makes no representations or warranties whatsoever as to any aspect of the Premises, including, without limitation, its compliance with any particular codes or ordinances or its suitability for Tenant's permitted use hereunder, and that it shall be entirely incumbent upon Tenant to satisfy itself as to the condition of the Premises prior to the Commencement Date. If Tenant does not terminate this Lease prior to the Commencement Date, Tenant shall have accepted the Premises and Landlord shall have no further obligations with respect to the Premises except as specifically set forth herein. Nonetheless, Landlord agrees to assign to Tenant any warranties that are assignable for the improvements and apparatus installed at the Demised Premises.

7. Permitted Use. Until the Commencement Date, Tenant shall not be entitled to exclusive possession of the Demised Premises, and shall be entitled solely to undertake its due diligence investigations of the Demised Premises until the Commencement Date. From and after the Commencement Date, Tenant shall not use the Demised Premises for any purpose other than City Offices, firefighter overnight accommodations and related uses without the prior written consent of Landlord which shall not be unreasonably withheld or delayed. Tenant shall not use or occupy the Demised Premises, or knowingly permit it to be used or occupied, (i) in any manner contrary to any statute, rule, order, ordinance, requirement or regulation of any governmental agency applicable thereto, or (ii) in any manner which would violate any certificate of occupancy affecting the same, or (iii) in any manner which would make void or voidable any insurance then in force with respect thereto, or (iv) in any manner which would make it impossible to obtain fire or other insurance thereon required to be furnished hereunder by Tenant. In addition, Tenant shall not use

or occupy the Demised Premises for any adult oriented businesses, including, without limitation, escort services, private modeling, uncertified massage services, drug/alcohol counseling services, tattoo and body piercing, adult entertainment establishment, strip club, adult movie theater or video store, or adult paraphernalia stores as defined by the applicable zoning codes. For the purposes hereof, “adult entertainment establishments,” “adult movie theaters,” “adult video stores,” “strip clubs,” and other adult oriented entertainment venues shall mean those businesses subject to and defined in the Zoning Ordinance within the Code of Ordinances for City of Poughkeepsie, New York.

8. No Right of Offset. Tenant shall have no right to deduct any sum or sums from the rent herein reserved, including Base Rent, increases in Base Rent pursuant to the terms hereof, any Additional Rent, and any additional sums required to be paid by Tenant to any person or persons whomsoever under the terms of this Lease, for any reason whatsoever including, but not limited to, any failure by the Landlord to perform or comply with any covenant required to be performed by Landlord hereunder, except as otherwise provided herein.

9. Place of Payment. Tenant shall pay the rent at such place as Landlord may from time to time designate by written notice to Tenant and, in default of such designation, then at the offices of Landlord, at [REDACTED].

10. Taxes and Assessments.

(a) Payment.

(i) Landlord shall pay to the taxing authorities, prior to delinquency, all real property taxes and assessments levied against the Demised Premises. Tenant shall pay to Landlord, as Additional Rent, within 15 days of presentation of paid receipt for the municipality, the full amount of such taxes to Landlord. If Landlord shall fail to pay such taxes, Tenant may pay directly to the municipality in full discharge of its obligation under this paragraph. Any penalty incurred for late payment due to Landlord’s failure to pay shall be a credit against the next month’s Base Rent.

(ii) Tenant shall pay directly to the appropriate taxing authorities, and discharge as Additional Rent, all personal property taxes levied with respect to the Demised Premises or any part thereof, if any, as well as any sales tax or other assessments, charges or expenses pertaining to the Premises by reason of any present or future law of the United States of America, or the State of New York, or of any county, municipality or political subdivision thereof. Said amounts shall be paid and evidence of such payment shall be furnished to Landlord, in any and all events, not less than thirty (30) days prior to the time the same shall be deemed delinquent under the laws or regulations imposing the same. If Tenant defaults in the payment of any such sums, Landlord may, but shall not be required to, pay the same, in which event Tenant shall reimburse Landlord for the amounts spent by Landlord, plus interest at highest rate allowed under the laws of the State of New York until paid in full, upon demand. The failure of Tenant to pay such taxes as required by this Agreement, and to furnish copies of the receipts thereof, or to furnish the written notice and approved security hereinbelow referred to not later than thirty (30) days before the said tax or taxes or any item of them would become delinquent, shall constitute an Event of Default by Tenant hereunder.

(b) Other Taxes. Nothing contained in this Lease shall obligate Tenant to pay any income, inheritance or succession tax, or any other tax which may be levied or assessed against Landlord with respect to, or because of, the income derived from this Lease; nor shall Tenant be deemed obligated hereby to pay any corporation, franchise, or excise taxes which may be assessed or levied against Landlord or any successors in interest of Landlord. In addition, Tenant shall not be responsible for the payment of any documentary stamp or intangible personal property taxes due and payable in connection with any mortgage lien placed on the Demised Premises by Landlord.

11. Insurance.

(a) Insurance by Tenant. From and after the date hereof and throughout the Term of this Lease, Tenant shall, at its sole cost and expense maintain in full force and effect the following types and amounts of insurance coverage:

(i) Property Insurance. Tenant shall at all times during the Term hereof maintain in effect a policy or policies of insurance covering the Premises, providing protection against any peril included within the classification "Fire and Extended Coverage", together with insurance against vandalism, malicious mischief, plate glass breakage and abatement or loss of rent in case of said insured casualties.

Coverage for loss or damage (including collapse) caused by fire, lightning, windstorm, hail, explosion, riot attending a strike, civil commotions, aircraft, vehicles, and smoke in an amount equal to 80% of the full replacement value of the Improvements, including any increased cost of construction caused by changes in the building codes, demolition of the undamaged portions of the Improvements and the cost to replace the undamaged portion of the Improvements due to changed building codes, with a deductible amount not to exceed \$50,000.00, except for Wind and Hail, which deductible shall be two percent (2%) of insured value. All insurance required hereunder, and all other insurance maintained by Tenant on the Improvements in excess of or in addition to that required hereunder, shall be carried in favor of Landlord and Tenant, as their respective interests may appear.

(ii) Liability Insurance. Throughout the Term of this Lease, Tenant, at its sole cost and expense, shall obtain and maintain in full force and effect a commercial general liability insurance policy with respect to the Premises, which insurance, shall be written with a carrier acceptable to the Landlord and with coverage limits of not less than FIVE HUNDRED THOUSAND and 00/100 DOLLARS (\$500,000.00) for each occurrence, ONE MILLION AND 00/100 DOLLARS (\$1,000,000.00) general aggregate, and ONE HUNDRED THOUSAND AND 00/100 DOLLARS (\$100,000.00) for property damage to rented premises. In addition, Tenant shall provide Umbrella Liability coverage in the amounts of TWO MILLION & 00/100 DOLLARS (\$2,000,000.00) each occurrence and THREE MILLION & 00/100 DOLLARS (\$3,000,000.00) aggregate.

In addition to that required hereunder, shall name Landlord and its Affiliate Companies and Lender as additional insured.

(iii) Other Insurance. In addition, Tenant shall, at Landlord's request, provide, keep and maintain in full force and effect such other insurance for such risks and in such amounts as may from time to time be commonly insured against in the case of business operations similar to those contemplated by this Lease to be conducted by Tenant on the Premises.

(b) Carriers and Features. All insurance policies required to be carried by Tenant as provided in this Section shall be issued by insurance companies reasonably approved by Landlord, authorized and licensed to do business in the State of New York and with companies rated at least "A" by A. M. Best. All such policies shall be for periods of not less than one year and Tenant shall renew the same at least thirty (30) days prior to the expiration thereof. All such policies shall require not less than thirty (30) days written notice to Landlord prior to any cancellation thereof or any change reducing coverage thereunder, except where a shorter period is allowed by New York Statute.

Tenant shall pay the premiums for all insurance policies which Tenant is obligated to carry under this Article and, at least five (5) days prior to the date any such insurance must be in effect, deliver to Landlord a copy of the policy or policies, or a certificate or certificates thereof, along with evidence that the premiums therefor have been paid for at least the next ensuing annual period.

(c) Failure to Procure Insurance. In the event Tenant shall fail to procure insurance required under this Section and fail to maintain the same in full force and effect continuously during the term of this Lease, Landlord shall be entitled to procure the same and Tenant shall immediately reimburse Landlord for such premium expense as Additional Rent.

(d) Waiver of Subrogation. Tenant agrees that, if any property owned by it and located in the Demised Premises shall be stolen, damaged or destroyed by any peril required to be insured hereunder, Landlord shall not have any liability to Tenant, nor to any insurer of Tenant, for or in respect of such theft, damage or destruction (except for any such damage which may be brought about by Landlord's negligence) and Tenant shall require all policies of risk insurance carried by it on its property in the Demised Premises to contain or be endorsed with a provision in and by which the insurer designated therein shall waive its right of subrogation against Landlord. To the extent Landlord has Hazard, Liability or other insurance covering the Demised Premises, such insurance shall also waive any right of subrogation as to Tenant.

12. Utilities. Tenant shall be liable for and shall pay directly all charges and fees (together with any applicable taxes or assessments thereon) when due for water, electricity, natural gas, air conditioning, heat, septic, sewer, refuse collection, telephone and any other utility charges or similar items in connection with the use or occupancy of the Demised Premises. Landlord shall not be responsible or liable in any way whatsoever for the quality, quantity, impairment, interruption, stoppage, or other interference with any utility service, including, without limitation, water, air conditioning, heat, electric current for light and power, telephone, or any other utility service provided to or serving the Demised Premises, unless due to Landlord's sole negligence. No such interruption, termination or cessation of utility services shall relieve Tenant of its duties and obligations pursuant to this Lease, including, without limitation, its obligation to pay all Base Rent and Additional Rent as and when the same shall be due hereunder.

13. Assignment and Subletting.

(a) Except as set forth in Subsection (b), below, Tenant shall not, without the prior written consent of Landlord in each instance, which consent will not be unreasonably withheld or delayed, sell, assign or otherwise transfer this Lease, or Tenant's interest in the Demised Premises, in whole or in part, or any rights or interests which Tenant may have under this Lease, or sublet the Demised Premises, or any part thereof, or grant or permit any lien or encumbrance on or security interest in Tenant's interest in this Lease, except that Landlord expressly agrees to an assignment by Tenant to an entity with at least 51% of the same ownership interests as Tenant. If given, the consent of Landlord to an assignment, transfer, subletting or encumbrance shall in no event be construed to relieve Tenant or such assignee or subtenant from the obligation of obtaining the express consent in writing of Landlord to any further assignment, transfer, subletting or encumbrance. Any assignment, transfer, sublease or encumbrance in violation of this Section shall be voidable at Landlord's option.

14. Liability; Indemnification.

(a) Liability of Landlord. Any goods, property or personal effects stored or placed by Tenant or its employees in or about the Demised Premises shall be at the sole risk of the Tenant, and Landlord shall not be liable to Tenant, its employees, agents, invitees or licensees for any damage, injury, death or loss arising out of or resulting from any cause whatsoever, unless due to or brought about by the gross negligence or willful misconduct of Landlord or its agents, employees or contractors.

(b) Indemnification of Landlord. Tenant shall, to the fullest extent allowed by law, to the limits of available insurance coverage, defend, indemnify and save and hold Landlord harmless from and against any and all liabilities, losses, damages, claims, demands, costs and expenses of every kind or nature, including reasonable attorneys' fees and court costs, incurred by Landlord, arising directly or indirectly from or out of: (a) any failure by Tenant to perform any of the terms, provisions, covenants or conditions of this Lease on Tenant's part to be performed, to the extent such failure is the fault of Tenant alone; (b) any accident, injury or damage which shall happen at, in or upon the Demised Premises, however occurring, other than through the negligence or willful misconduct of Landlord; or (c) any matter or thing growing out of the condition, occupation, maintenance, alteration, repair, use or operation by the Tenant of the Demised Premises, or any part thereof, or the operation of the business contemplated by this Lease to be conducted thereon; (d) any intentional or grossly negligent failure of Tenant to comply with any laws, ordinances, requirements, orders, directions, rules or regulations of any governmental authority; (e) any contamination of the Demised Premises, or the groundwaters thereof, occurring on or after the date hereof and caused by the acts or omissions of Tenant; or (f) any discharge of toxic or hazardous sewage or waste materials or pollutants from the Demised Premises into any septic facility or sanitary sewer system serving the Demised Premises occurring on or after the date hereof, caused by the acts of Tenant or by any agent or invitee of Tenant.

Tenant's indemnity obligations under this Lease arising prior to the termination or assignment of this Lease shall survive for six (6) months after any such termination or assignment.

15. Maintenance and Repairs. Tenant shall, at all times during the term of this Lease and at its sole cost and expense, keep and maintain the Demised Premises in good repair and in good, safe and substantial order and condition, shall make all repairs thereto, both inside and outside,

and shall use all reasonable precautions to prevent waste, damage or injury; provided, however that Landlord shall be responsible for any replacements of the roof, foundation and exterior walls (unless the need therefor is due to the negligence of or default hereunder by Tenant, in which event Tenant shall be responsible for the same at Tenant's sole expense). If any such replacements are required, Landlord (or Tenant, as provided in the previous sentence) shall complete the same in a timely manner. Tenant shall also, at its own cost and expense, put, keep, replace and maintain all landscaping, signs, sidewalks, roadways, driveways and parking areas within the Demised Premises in good repair and condition. Tenant shall further enter into and keep in effect at all times an annual service agreement for quarterly inspections and maintenance of the HVAC equipment, at Tenant's expense, and shall deliver a copy of the same to Landlord upon request. Landlord shall render all HVAC equipment in good operating condition, or replace HVAC equipment if not in good operating condition, prior to the Commencement Date and provide any available warranties for existing equipment. Tenant shall further be responsible for maintaining and, if necessary, replacing the existing back-up generator located on the Premises.

16. Inspecting and Repairs. Landlord and its agents and other representatives shall have the right, upon reasonable notice to Tenant (which, subject to emergencies, shall be generally no less than 24 hours), to enter upon and into the Demised Premises or any part thereof during normal business hours for the purpose of examining the same and determining such repairs therein as may be reasonably necessary subject to ordinary wear and tear, for the safety and preservation thereof. In case of the neglect or default of Tenant in making necessary repairs of Tenant hereunder, Landlord, after ten (10) days written notice to Tenant (except that notice shall not be required in case of emergencies), may make such necessary repairs either during said term or after its expiration. All the actual reasonable costs and expenses thereof shall be repaid by Tenant to Landlord as Additional Rent upon demand.

17. Alterations to Demised Premises.

(a) Alterations. Tenant may make alterations to the Demised Premises, but only after the Commencement Date, and only with the prior written approval of Landlord and any other applicable entity such as governmental entity. Any approval sought from Landlord shall not unreasonably withhold or delayed. Any such improvements must be made in compliance with all applicable laws. Tenant will be required to obtain all requisite building permits, and any such alterations or improvements may only be made by properly licensed contractors, subject to Landlord's prior written approval, such approval not to be unreasonably withheld or delayed. Prior to commencing any alterations, Tenant shall submit to Landlord the plans for the alterations, except for minor interior alterations such as paint. Approval by Landlord of any such plans shall not constitute any representation on the part of Landlord that the same are in compliance with any laws or codes. Landlord may during the course of any alterations inspect the construction, strictly for its own benefit. All alterations shall be done in a good and workmanlike manner. Prior to the last day of the Lease Term, Tenant shall remove all such alterations and restore the Premises to the condition in which they existed as of the date hereof, except for those alterations that Landlord previously approved, so that, after the time Landlord approves such alterations, such alterations will not have to be removed or restored by Tenant.

(b) Payment of Contractors. Tenant shall promptly pay all contractors, laborers and materialmen employed by Tenant and, should any lien be made or filed, Tenant shall bond off or discharge the same within ten (10) days after written request by Landlord.

(c) No Right to Lien Land. Notice is hereby given that Landlord shall not be liable for any work, labor, or materials furnished or to be furnished upon credit to or for Tenant or anyone claiming under Tenant, and that no mechanic's or construction liens for any such work, labor or materials shall attach to or affect the estate or interest of Landlord in and to the Demised Premises. Tenant shall not do or suffer anything to be done whereby the Demised Premises may be encumbered by any construction lien. Landlord shall be entitled to record in the public records where the Demised Premises are located a notice to this effect. Tenant shall furnish a written notice to all persons so furnishing any such work, labor or materials that said persons do not have a right to file any lien against the Demised Premises. Tenant shall indemnify and hold Landlord harmless from and against any and all claims, damages, expenses (including attorney's fees), liabilities and obligations of any nature whatsoever that may arise out of or relate to any liens that may be filed against the Demised Premises by virtue of any actions taken by Tenant, whether or not permitted under this Lease. As set forth above, Tenant shall immediately bond off and discharge any such liens.

18. Signs. Tenant shall not erect or install any signs, including but not limited to, roof signs, pylons, projecting store signs, and painted wall or window signs, interior window or door signs or window or door lettering or placards, or any other signage on the Demised Premises, unless such signage shall comply with all code requirements. All such signage shall be at Tenant's sole cost and expense and shall be removed by Tenant prior to the last day of the term hereof.

19. Eminent Domain.

(a) Complete Taking. If the whole of the Demised Premises shall be taken or condemned for any public or quasi-public use or purpose, by right of eminent domain or by purchase in lieu thereof, or if a substantial portion of the Demised Premises shall be so taken or condemned that the portion or portions remaining is or are not sufficient and suitable, in the reasonable judgment of Tenant, for the continued operation of the business contemplated by this Lease to be conducted thereon, therein or therefrom so as to effectively render the Demised Premises untenable, then this Lease and the term hereby granted shall cease and terminate as of the date on which the condemning authority takes possession and all rent shall be paid by Tenant to Landlord up to that date or refunded by Landlord to Tenant if Rent has previously been paid by Tenant beyond that date.

(b) Partial Taking. If a portion of the Demised Premises is taken, and the portion or portions remaining can, in the mutual reasonable judgment of Tenant, be adapted and used for the conduct of Tenant's business operation, such that the Demised Premises are not effectively rendered untenable, then Tenant shall promptly restore the remaining portion or portions thereof to a condition comparable to their condition at the time of such taking or condemnation, less the portion or portions lost by the taking, and this Lease shall continue in full force and effect except that the rent payable hereunder shall, if necessary, be equitably adjusted to take into account the portion or portions of the Demised Premises lost by the taking and the cost of restoring the Demised Premises.

(c) Award. The entire award for the Demised Premises or the portion or portions thereof so taken shall be apportioned between Landlord and Tenant as follows: (a) if this Lease

terminates due to a taking or condemnation, Tenant shall be entitled to reimbursement for Landlord approved improvements to the Demised Premises Landlord shall be entitled to the entire balance of the award; (b) if this Lease does not terminate due to such taking or condemnation, Tenant shall be entitled to the entire award to the extent required for reimbursement for improvements made to the portion of the Demised Premises taken and for restoration of the Demised Premises, and Landlord shall be entitled to the balance (if any) of the award. If this Lease does not terminate due to a taking or condemnation, Tenant shall, with due diligence, restore the remaining portion or portions of the Demised Premises in the manner hereinabove provided. In any event, Tenant shall be entitled to the entire award for its business damages.

(d) Lender Approval. The use of the proceeds of any condemnation action, as set forth above, shall be subject to the rights of any mortgagee of the Premises.

20. Destruction.

(a) Restoration and Repairs. Provided (i) at least one (1) year is remaining in the Initial Term or Renewal Term then in effect, and (ii) there are sufficient insurance proceeds available to pay all costs of reconstruction and restoration, Tenant agrees that if the Improvements shall be destroyed or damaged in whole or in part by fire, windstorm or any other cause whatsoever, Tenant shall give Landlord immediate notice thereof and Landlord, subject to the approval of any mortgagee, shall repair, reconstruct or replace the Improvements, or the portion thereof so destroyed or damaged (whichever is reasonably required), at least to the extent of the value and character thereof existing immediately prior to such occurrence (other than any improvements made by Tenant), utilizing all available insurance proceeds plus the deductible (which Tenant shall deliver to Landlord prior to the commencement of such work). All work shall be started as soon as practicable and completed at Landlord's expense, utilizing all available insurance proceeds. Tenant shall immediately take such action as is necessary to assure that the Demised Premises (or any portion thereof) does not constitute a nuisance or otherwise presents a health or safety hazard.

(b) Option to Terminate. In the event that any of the Improvements shall be destroyed or damaged and (i) the extent of such destruction or damage is such that total repair or restoration cannot be completed within one (1) year, or (ii) if on the anticipated date of completion of the repair or restoration, less than one (1) year will be remaining in the Initial Term or Renewal Term then in effect or (iii) any mortgagee of Landlord does not release insurance proceeds for such purposes; then (1) subject to clause (2) hereafter, either Landlord or Tenant may terminate this Lease by written notice to that effect given to the other not later than thirty (30) days after the occurrence of the casualty, whereupon this Lease shall cease and terminate as of the date of the occurrence, and all of the insurance proceeds payable with respect to such loss (other than proceeds payable for Tenant's property and any improvements made by Tenant) shall belong to Landlord; or (2) if either Landlord or Tenant does not elect to terminate this Lease as aforesaid, the Lease shall be and remain in full force and effect for the balance of the term hereof, and Landlord shall be obligated to repair, reconstruct or replace the Improvements in accordance with, but subject to the conditions of, the preceding paragraph.

21. Bankruptcy or Insolvency. Neither this Lease nor any interest therein shall be assignable or transferable by operation of law. In the event any proceeding under the Bankruptcy Code or any amendment thereto be commenced by or against Tenant and not be dismissed within

sixty (60) days; or in the event a receiver be appointed for Tenant or a writ of execution be levied on the business of Tenant conducted on the Demised Premises or on assets thereof situated on the Demised Premises or on the leasehold estate created hereby, and the same be not discharged within sixty (60) days thereafter; or in the event Tenant shall commence any proceeding under the Acts of Congress relating to Bankruptcy or any amendment thereto, or make any assignment for the benefit of creditors, or be adjudged insolvent; then, in any of such events, this Lease shall be considered breached by Tenant and shall immediately cease and terminate and shall not be an asset of Tenant, and Landlord shall have the right forthwith to enter and repossess itself of said premises as of its original estate, all without notice,.

22. Subordination, Attornment and Non-Disturbance.

(a) Subordination. This Lease, Tenant's lease interest hereunder and Tenant's leasehold interest in and to the Demised Premises, are hereby agreed by Tenant to be and are hereby made junior and subordinate to any mortgage or mortgages now or hereafter in force and effect upon or encumbering Landlord's interest in the Demised Premises, or any portion thereof, and to all future modifications, extensions, renewals, consolidations and replacements of, and all amendments and supplements to any such mortgage or mortgages, and upon recording of any such mortgage or mortgages, the same shall be deemed to be prior in dignity, lien and encumbrance to this Lease, Tenant's interest hereunder and Tenant's leasehold interest in and to the Demised Premises irrespective of the dates of execution, delivery or recordation of any such mortgage or mortgages subject to the limitation in Paragraph 22(c) below. The foregoing subordination provisions of this Paragraph shall be automatic and self-operative without the necessity of the execution of any further instrument or agreement of subordination on the part of Tenant. However, if Landlord or the holder or proposed holder of any such mortgage or mortgages shall request that Tenant execute and deliver any further instrument or agreement of subordination of this Lease, Tenant's interest hereunder or Tenant's leasehold interest in the Demised Premises to any such mortgage or mortgages in confirmation or furtherance of or in addition to the foregoing subordination provisions of this Section, Tenant shall promptly execute and deliver the same to the requesting party.

(b) Attornment. Upon receipt of appropriate notice and evidence confirming any such transfer of interest from Landlord, Tenant hereby agrees to attorn, and be bound under all of the terms, provisions, covenants and conditions of this Lease, to any successor of the interest of Landlord under this Lease for the balance of the term of this Lease remaining at the time of the transfer of such interest. In particular, but without limitation, in the event that any proceedings are brought for the foreclosure of any mortgage encumbering Landlord's interest in the Demised Premises, or any portion thereof, Tenant shall attorn to the purchaser at any such foreclosure sale and recognize such purchaser as Landlord under this Lease, subject, however, to all of the terms and conditions of this Lease including any option granted to Tenant. Tenant agrees that neither the purchaser at any such foreclosure sale, a foreclosing mortgagee nor other transferee from Landlord shall have any liability for any act or omission of Landlord, be subject to any offsets or defenses which Tenant may have as claim against Landlord, or be bound by any advance rents which may have been paid by Tenant to Landlord for more than the current period in which such rents come due.

(c) Non-Disturbance. Provided that (a) there shall be no default by Tenant in the observance and performance of the covenants, promises and agreements herein contained and required to be kept, observed and performed by Tenant, and (b) Tenant shall not have prepaid more than one

month's rent in advance under this Lease, the holder or holders of any such mortgage or mortgages shall, in consideration of the foregoing subordination of this Lease to the lien and encumbrance of any such mortgage or mortgages, be deemed to have agreed that (i) such holder or holders shall not name or join Tenant as a party defendant in any proceedings instituted to foreclose or otherwise enforce any such mortgage or mortgages, (ii) neither this Lease nor the term hereof shall be terminated (except as expressly permitted by the provisions of this Lease) or otherwise affected by the institution and/or completion of any such proceedings and (iii) that Tenant's possession of the Demised Premises shall not in any way be disturbed by the enforcement of any rights given to the holder or holders of any such mortgage or mortgages pursuant to the terms, covenants or conditions contained in any such mortgage or mortgages or any other documents held by any such holder or holders or any rights given to any such holder or holders as a matter of law.

23. Estoppel Certificate. Tenant shall from time to time, within fifteen (15) days after request by Landlord, but no more frequently than once a year without charge, give a certification in writing to any person, firm or corporation reasonably specified by Landlord stating, if true: (a) that this Lease is then in full force and effect and unmodified or, if modified, stating the modifications; (b) that Tenant is not in default in the payment of Base Rent or any additional charges to Landlord or, if in default, stating such default; (c) that so far as Tenant knows, neither party is in default in the performance or observance of any other covenant or condition to be performed or observed under this Lease or, if either party is in default, stating such default; (d) that so far as Tenant knows, no event has occurred which authorizes, or with the lapse of time will authorize, Landlord or Tenant to terminate this Lease or, if such event has occurred, stating such event; (e) that so far as Tenant knows, neither party has any offsets, counterclaims or defenses or, if either party has any such offsets, counterclaims or defenses, stating them; (f) the date to which rents and other amounts payable hereunder by Tenant have been paid; and (g) any other matters which may be reasonably requested by Landlord.

24. Memorandum of Lease. At either party's option, a short form memorandum of this Lease in a form reasonably acceptable to both parties may be recorded among the Public Records of Dutchess County, New York, and Landlord shall pay the recording costs associated therewith. In the event of a discrepancy between the provisions of this Lease and such short form memorandum thereof, the provisions of this Lease shall prevail.

25. Liability for Hazardous Materials and Pollutants. Tenant shall at all times and in all respects comply with all federal, state and local laws, ordinances and regulations ("**Hazardous Materials Laws**") relating to the use, analysis, generation, manufacture, storage, presence, disposal or transportation of any oil, petroleum products, flammable explosives, asbestos, urea formaldehyde, polychlorinated biphenyls, radioactive materials or waste, or other hazardous, toxic, contaminated or polluting materials, substances or wastes, including without limitation any "hazardous substances," "hazardous wastes," "hazardous materials," "toxic substances" or "pollutants" under any such laws, ordinances or regulations of the Tenant (but not its predecessors) (collectively, "**Hazardous Materials**"). In addition, Tenant shall not under any circumstances store or permit the discharge or release of Hazardous Materials on the Demised Premises (except in the usual course of business, such as, without limitation, vehicles containing gasoline or diesel, and cleaning, or vehicle maintenance and repair materials). Prior to the expiration or termination of this Lease, Tenant shall remove from the Premises, and dispose of the same in accordance with all applicable laws, all Hazardous Materials brought to the Demised Premises by Tenant its agents,

employees or customers, including all paints, stains, thinners and other similar substances, regardless of whether such substances are defined herein as Hazardous Materials.

Tenant shall indemnify, defend (with counsel reasonably acceptable to Landlord), protect and hold Landlord and each of Landlord's officers, directors, employees, successors and assigns free and harmless from and against any and all claims, liabilities, damages, costs (including remedial costs), penalties, forfeitures, losses or expenses (including attorneys' fees) for death or injury to any person or damage to any property whatsoever (including water tables and atmosphere) arising out of or in connection with any breach of this Section by Tenant.

26. Force Majeure. Anything in this Agreement to the contrary notwithstanding, neither Landlord nor Tenant shall be deemed in default with respect to any provision, covenant or condition of this Agreement on the part of either of them, respectively, to be performed if the performance thereof shall be delayed, interfered with or rendered impossible because of any strike, lock-out, civil commotion, war, war-like operation, invasion, insurrection, rebellion, hostility, revolution, military or usurped power, sabotage, inability to obtain any necessary material or service, act of God, pandemic, or other cause beyond the control of the party obligated to execute such performance; further, however, that such performance shall be resumed with due diligence and reasonable dispatch as soon as the contingency causing such delay or impossibility shall abate; and provided further, however, that nothing in this paragraph contained shall operate or be construed to relieve Tenant of any obligation for the payment of rent promptly as the same shall be due.

27. Default.

(a) Events of Default. Each of the following events shall be an Event of Default hereunder by Tenant and shall constitute a breach of this Lease:

(i) If Tenant shall fail to pay, when due, any Base Rent, Additional Rent, or portion thereof, or any other sum due to Landlord from Tenant hereunder, which continues for ten (10) business days after Tenant receives written notice thereof.

(ii) If Tenant shall violate or fail to comply with or perform any other material term, provision, covenant, agreement or condition to be performed or observed by Tenant under this Lease (not otherwise addressed in this subsection (a)) and said default continues for more than thirty (30) days after said notice has been given to Tenant by Landlord; or, if such default is not capable of being cured within said thirty (30) day period, within such reasonably longer period of time as may be necessary to cure said default, but not more than ninety (90) days in any event.

(iii) If any assignment, transfer, sublease or encumbrance shall be made or deemed to be made that is in violation of the provisions of this Lease.

(iv) If Tenant shall cease the actual and continuous operation of the business contemplated by this Lease to be conducted by Tenant and the Demised Premises shall become empty and unoccupied, except that the foregoing shall not constitute an Event of Default if the Tenant continues to pay Base Rent, Additional Rent and other amounts due hereunder on or before the due date, continues to properly maintain the Demised Premises as required hereunder, continues to pay real estate taxes and insurance premiums as required hereunder and otherwise continues to fulfill all of its obligations and liabilities hereunder.

(v) If, at any time during the term of this Lease, Tenant shall file in any court, pursuant to any statute of either the United States or of any State, a petition in bankruptcy or insolvency, or for reorganization or arrangement, or for the appointment of a receiver or trustee of all or any portion of Tenant's property, including, without limitation, its leasehold interest in the Demised Premises, or if Tenant shall make an assignment for the benefit of its creditors or petitions for or enters into an arrangement with its creditors.

(vi) If, at any time during the term of this Lease, there shall be filed against Tenant in any courts pursuant to any statute of the United States or of any State, a petition in bankruptcy or insolvency, or for reorganization, or for the appointment of a receiver or trustee of all or a portion of Tenant's property, including, without limitation, its leasehold interest in the Demised Premises, and any such proceeding against Tenant shall not be dismissed within ninety (90) days following the commencement thereof.

(vii) If Tenant's leasehold interest in the Demised Premises or property therein shall be seized under any levy, execution, attachment or other process of court where the same shall not be vacated or stayed on appeal or otherwise within thirty (30) days thereafter, or if Tenant's leasehold interest in the Demised Premises is sold by judicial sale and such sale is not vacated, set aside or stayed on appeal or otherwise within thirty (30) days thereafter.

(b) Remedies on Default. If any of the Events of Default hereinabove specified shall occur, Landlord, at any time thereafter, shall have and may exercise any of the following rights and remedies:

(i) Landlord may, pursuant to written notice thereof to Tenant, terminate this Lease and, peaceably or pursuant to appropriate legal proceedings, re-enter, retake and resume possession of the Demised Premises for Landlord's own account and, for Tenant's breach of and default under this Lease, recover immediately from Tenant any and all rents and other sums and damages due or in existence at the time of such termination, including, without limitation, (i) all Base Rent, Additional Rent and other sums, charges, payments, costs and expenses agreed and/or required to be paid by Tenant to Landlord hereunder, (ii) all reasonable costs and expenses of Landlord in connection with the recovery of possession of the Demised Premises, including reasonable attorneys' and paralegals' fees and court costs, and (iii) all reasonable costs and expenses of Landlord in connection with any reletting or attempted reletting of the Demised Premises or any part or parts thereof, including, without limitation, brokerage fees, attorneys' and paralegals' fees and the cost of any alterations or repairs which may be reasonably required to so relet the Demised Premises, or any part or parts thereof.

(ii) Landlord may, pursuant to any prior notice required by law, and without terminating this Lease, peaceably or pursuant to appropriate legal proceedings, re-enter, retake and resume possession of the Demised Premises for the account of Tenant, make such alterations of and repairs to the Demised Premises as may be reasonably necessary in order to relet the same or any part or parts thereof and relet or attempt to relet the Demised Premises or any part or parts thereof for such term or terms (which may be for a term or terms extending beyond the term of this Lease), at such rents and upon such other terms and provisions as Landlord, in its sole, but reasonable, discretion, may deem advisable. If Landlord relets or attempts to relet the Demised Premises, Landlord shall be the sole judge as to the terms and provisions of any new lease or

sublease and of whether or not a particular proposed new tenant or sublessee is acceptable to Landlord. Upon any such reletting, all rents, received by the Landlord from such reletting shall be applied, (a) first, to the payment of all costs and expenses of recovering possession of the Demised Premises, (b) second, to the payment of any costs and expenses of such reletting, including brokerage fees, attorneys' fees and the cost of any alterations and repairs reasonably required for such reletting; (c) third, to the payment of any indebtedness, other than rent, due hereunder from Tenant to the Landlord, (d) fourth, to the payment of all Base Rent, Additional Rent, and other sums due and unpaid hereunder, and (e) fifth, the residue, if any, shall be held by the Landlord and applied in payment of future Rents as the same may become due and payable hereunder. If the rents received from such reletting during any period shall be less than that required to be paid during that period by the Tenant hereunder, Tenant shall promptly pay any such deficiency to the Landlord and failing the prompt payment thereof by Tenant to Landlord, Landlord shall immediately be entitled to institute legal proceedings for the recovery and collection of the same. Such deficiency shall be calculated and paid at the time each payment of rent shall otherwise become due under this Lease, or, at the option of Landlord, at the end of the term of this Lease. Landlord shall, in addition, be immediately entitled to sue for and otherwise recover from Tenant any other damages occasioned by or resulting from any abandonment of the Demised Premises or other breach of or default under this Lease other than a default in the payment of rent. No such re-entry, retaking or resumption of possession of the Demised Premises by the Landlord for the account of Tenant shall be construed as an election on the part of Landlord to terminate this Lease unless a written notice of such intention shall be given to the Tenant or unless the termination of this Lease be decreed by a court of competent jurisdiction. Notwithstanding any such re-entry and reletting or attempted reletting of the Demised Premises or any part or parts thereof for the account of Tenant without termination, Landlord may at any time thereafter, upon written notice to Tenant, elect to terminate this Lease or pursue any other remedy available to Landlord for Tenant's previous breach of or default under this Lease.

(iii) Landlord may, without re-entering, retaking or resuming possession of the Demised Premises, sue for all Base Rent, Additional Rent, and all other sums, charges, payments, costs and expenses due from Tenant to Landlord hereunder, either (i) as they become due under this Lease, or (ii) at Landlord's option, accelerate the maturity and due date of all or part of the Base Rent and Additional Rent the entire then-remaining Term of this Lease, which shall then become immediately due and payable. Landlord may then proceed to recover and collect all such unpaid Rents and other sums so sued for by Tenant by distress, levy, execution or otherwise.

In addition to the remedies hereinabove specified, Landlord shall have and may exercise the right to invoke any other remedies allowed at law or in equity as if the remedies of re-entry, unlawful detainer proceedings and other remedies were not herein provided. Accordingly, the mention in this Lease of any particular remedy shall not preclude Landlord from having or exercising any other remedy at law or in equity. Nothing herein contained shall be construed as precluding Landlord from having or exercising such lawful remedies as may be and become necessary in order to preserve the Landlord's right or the interest of Landlord in the Demised Premises and in this Lease, even before the expiration of any notice periods provided for in this Lease, if under the particular circumstances then existing the allowance of such notice periods will prejudice or will endanger the rights and estate of Landlord in this Lease and in the Demised Premises.

28. Surrender at End of Term.

(b) Holding Over. If Tenant or any other person or party shall remain in possession of the Demised Premises or any part thereof following the expiration of the term or earlier termination of this Lease without an agreement in writing between Landlord and Tenant with respect thereto, the person or party remaining in possession shall be deemed to be a tenant at sufferance, and during any such holdover, the Base Rent payable under this Lease by such tenant at sufferance shall be 125% of the rate or rates in effect immediately prior to the expiration of the term or earlier termination of this Lease. In no event, however, shall such holding over be deemed or construed to be or constitute a renewal or extension of this Lease.

All notices, elections, requests and other communications hereunder shall be in writing and shall be deemed given (i) when personally delivered, or (ii) the next business day after being deposited with a recognized overnight mail or courier delivery service, or (iii) when transmitted by facsimile transmission with receipt acknowledged upon transmission; or (iv) when sent via e-mail without receipt by the sender of a delivery failure message provided that the same is also sent via the method set forth in subsection (ii) above; addressed as follows (or to such other person or at such other address, of which any party hereto shall have given written notice as provided herein):

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City Hall
62 Civic Center Plaza
Poughkeepsie, New York

E-mail: mayor@cityofpoughkeepsie.com

With copy to:

Corporation Counsel
City of Poughkeepsie
City Hall
62 Civic Center Plaza
Poughkeepsie, New York

E-mail: corporationcounsel@cityofpoughkeepsie.com

To Landlord:

Marshall & Sterling Realty LLC

New York _____
Attn: James Dahoney
Telephone: 518-_____
E-mail: _____

with copy to:

Slevin & Associates PLLC
1826 Western Avenue
Albany, New York 12203
Attn: Mary Elizabeth Slevin, Esq.
E-mail : mslevin@slevinlawfirm.com

30. General Provisions.

(a) No Partnership or Joint Venture. Nothing contained herein shall be deemed or construed by the parties hereto, nor any third party, as creating the relationship of principal and agent or of a partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of rent, nor any other provisions contained herein, nor any acts of the parties herein, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

(b) Successors and Assigns. All covenants, promises, conditions and obligations herein contained or implied by law are covenants running with the land and shall attach to the land, be binding upon the heirs, executors, administrators, successors, legal representatives and assigns of each of the parties to this Lease.

(c) Entire Agreement. The parties hereto agree that this Lease represents the entire agreement between the parties hereto and that there are no collateral agreements or understandings. Tenant agrees that it is not relying on any representations or agreements other than those contained in

this Lease. It is further understood and agreed that no modifications, releases, discharges or waivers of any provisions hereof shall be of any force, value or effect unless in writing, signed by the Landlord or its duly authorized agent.

(d) Applicable Law/Venue/Waiver of Jury Trial. This Agreement is made in and is to be performed in the State of New York and is to be governed by the laws of the State of New York. The exclusive venue and jurisdiction for any claim, loss or cause of action arising out of or relating to this Agreement shall be the county or circuit courts of the Northern District of New York or for Dutchess County, New York. The parties expressly consent to personal jurisdiction of these courts and waive all other jurisdictions and venues.

Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement.

(e) Counterparts. This Agreement may be executed in as many counterparts as may be necessary, each one of which shall be deemed to be an original, but all of which together shall constitute one and the same Agreement.

(f) Brokerage. Tenant represents that it has not dealt directly or indirectly with any broker, finder or any other third party in connection with this Lease. Tenant shall indemnify and hold Landlord harmless from and against any and all commissions, fees and expenses and all claims therefor by any broker, salesman or other party in connection with any breach of the foregoing representation.

(g) Radon Disclosure Notice. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in New York. Additional information regarding radon and radon testing may be obtained from your county public health unit.

(h) Waiver. No release, discharge or waiver of any provision hereof shall be enforceable against or binding upon Landlord or Tenant unless in writing and executed by Landlord or Tenant, as the case may be. Neither the failure of Landlord or Tenant to insist upon a strict performance of any of the terms, provisions, covenants, agreements and conditions hereof, nor the acceptance of rent by Landlord with knowledge of a breach of this Lease by Tenant in the performance of its obligations hereunder, shall be deemed a waiver of any rights or remedies that Landlord or Tenant may have or a waiver of any subsequent breach or default in any of such terms, provisions, covenants, agreements and conditions.

(i) Costs and Attorney's Fees. If either party shall bring an action to recover any sum due hereunder, or for any breach hereunder, and shall obtain a judgment or decree in its favor, the court may award to such prevailing party its reasonable costs and reasonable attorneys' and paralegals' fees, specifically including, without limitation, reasonable attorneys' and paralegals' fees incurred in connection with any appeals (whether or not taxable as such by law).

(j) Tenant's Remedies and Limitations on Recourse. Notwithstanding anything to the contrary in this Lease, if Landlord or any successor in interest of Landlord, shall be an individual, joint venture, corporation, tenancy-in-common, firm or partnership, general or limited, or any other entity, or if Landlord shall be a mortgagee in possession (for the purposes of this paragraph collectively called "Landlord"), it is specifically understood and agreed that there shall be absolutely no personal recourse or liability for monetary damages on the part of the Landlord, its successors or assigns, with respect to any of the terms, covenants and conditions of this Lease. Tenant agrees to look solely to the equity of Landlord in the Premises for the covenants and conditions of this Lease to be performed by Landlord, and no other property or estates of Landlord shall be subject to levy, execution or other enforcement procedures for the satisfaction of Tenant's remedies. The provisions of this Section are not intended to limit Tenant's right to seek injunctive relief, declaratory judgments, specific performance nor to limit Tenant's right to claim proceeds of insurance or condemnation (if any) as provided herein. Such agreement is a primary consideration for the execution of this Lease by Landlord.

(k) Captions and Headings. The captions and headings in this Lease have been inserted herein only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of, or otherwise affect, the provisions of this Lease.

(l) Severability. If any provision of this Lease shall be deemed to be invalid, it shall be considered deleted therefrom and shall not invalidate the remaining provisions of this Lease.

(m) Date of this Agreement. The term "Date of this Agreement" as used herein shall mean and refer to the date upon which the last of the Landlord and Tenant has duly and properly executed and delivered this Agreement.

31. Certain Landlord Warranties. Landlord represents and warrants that:

(a) Landlord is the sole owner of the Property, and Landlord owns fee simple absolute title to the Premises. Landlord will neither convey title to all or any portion of the Property, nor enter into any agreement, conditional or otherwise, to convey title to all or any portion of the Property, during the term of this Agreement to any person or entity other than Lessee; and

(b) Landlord is a Limited Liability Company duly organized, validly existing and in good standing under the laws of New York, authorized to do business in New York. Landlord has the full power and authority to enter into this Agreement and to convey title to the Property in accordance with the terms and conditions of this Agreement.

(c) Landlord covenants and agrees that Tenant shall have complete and quiet enjoyment of and may peaceably enjoy the Demised Premises and all appurtenances belonging thereto, throughout the Term subject only to Landlord's reserved rights to use the basement of the Building on a temporary basis, or until this Lease is earlier terminated as provided herein, subject, however, to the express terms, covenants and conditions contained in this Lease.

32 Option to Purchase. Tenant shall have the option to purchase the Land, Building and all Improvements for 232 Hooker Avenue, Poughkeepsie, New York 12603, pursuant

to the terms set forth in Exhibit "B" attached hereto and made a part hereof. . If the Tenant shall fail to exercise the Option to Purchase at the end of the extended period (1 year, 6 months), the Tenant shall owe the landlord the total amount of \$117,000.00 (\$75,000.00 for the initial lease period and \$42,000 for period of the six month extension).

IN WITNESS WHEREOF, the parties have caused this Lease Agreement to be properly executed as of the day and year first above written by officers thereunto duly authorized.

Signed, sealed and delivered
in the presence of:

Marshall & Sterling Realty LLC

Name: _____

By: _____
James Dahoney

Name: _____

"LANDLORD"

City of Poughkeepsie

Name: _____

By: _____
Name: _____
As its: _____

Name: _____

"TENANT"

EXHIBIT “A”

DESCRIPTION OF THE LAND

INSERT LEGAL DESCRIPTIONS

EXHIBIT "B"

OPTION TO PURCHASE

1. GRANT OF OPTION. Landlord hereby gives and grants in favor of Tenant, or an entity sharing common ownership interests with Tenant, an option to purchase the Premises (hereinafter referred to as the "Option") as described in Exhibit "A" to the Lease". The Option is granted, and must be exercised, upon the terms and conditions hereinafter set forth:

(a) Option Term. The term within which the Option may be exercised (hereinafter referred to as the "Option Term") shall begin on the Commencement Date of the Lease and shall run until twelve (12) months after the Lease Commencement Date (November 15, 2025, unless the Lease is sooner terminated or, if the Lease is extended, prior to the end of eighteen (18) months. To be clear, Tenant has the one time right to purchase the Land, Buildings and all Improvements of the Premises. If the tenant elects to purchase, they must notify Landlord by or before November 14, 2026, or if extended, prior to the end of the Extended term. If no official written notice of the election to purchase is provided by November 14, 2026, the option to purchase shall expire. In the event that the Lease is sooner terminated, then the Option shall be correspondingly terminated.

(b) Method of Exercise of Option. Beginning November 15, 2025 and no later than November 14, 2026, (unless extended, then prior to the end of the extended Term) Tenant may exercise the Option by delivering written notice thereof to Landlord, together with the Deposit (defined below). The Option shall be deemed to have been exercised on the date of Landlord's receipt of such written notice and the Deposit. Such written notice shall be delivered as provided in the Lease, and the date upon which the Option is so exercised is referred to herein as the "Option Effective Date".

If Tenant duly exercises the Option, the purchase and sale of the Premises shall be on the terms and conditions set forth below, which shall constitute a binding contract upon exercise of the Option.

2. PURCHASE PRICE AND METHOD OF PAYMENT. The total purchase price for the Premises, subject to the adjustments hereinafter provided for, shall be determined as provided below in this paragraph, and is payable as follows:

(a) An additional earnest money deposit (hereinafter referred to as the "Deposit") in the amount of \$25,000.00 shall be delivered to Landlord with Tenant's notice of exercise of the Option. At closing, the Deposit shall be credited to Tenant and retained by Landlord in partial payment of the purchase price.

(b) The purchase price for the Premises (hereinafter referred to as the "Purchase Price") shall be Six Hundred Thousand and No/100 Dollars U.S. (\$600,000.00).

(c) In the event tenant elects to exercise Option, Landlord will credit Tenant up to \$5,000.00 per month of the Base Rent actually paid to Landlord by Tenant, up to a maximum credit of \$60,000.00. In the event the Lease is extended, then an additional \$5,000 credit will be applied for each extended month up to an additional credit of \$30,000.00

(d) The balance of the Purchase Price shall be paid by Tenant by wired funds, to Seller or Seller's designee, in immediately available funds on the date of Closing.

3. EVIDENCE OF TITLE. Within twenty (20) days following the Option Effective Date, Tenant shall obtain an updated commitment for title insurance from the title insurance company of its choice ("Title Agent") agreeing to issue to Tenant upon recording of the deed to Tenant, a fee owner's policy of title insurance in the amount of the Purchase Price insuring the title of Tenant to the Premises, subject only to the Permitted Exceptions (as hereinafter defined) and the so-called "Standard Exceptions" contained on the inside jacket cover of the standard ALTA Form B of commitment. Said commitment shall provide that said Standard Exceptions will be deleted upon furnishing to Title Agent a lien, possession and encumbrance affidavit in the customary form (and Landlord agrees to furnish such Affidavit at and as a part of the closing) and a current survey (if furnished by Tenant at Tenant's expense). In the event that the title insurance commitment discloses that title to the Premises is subject to any exceptions which render title unmarketable or uninsurable, then Tenant shall have the right at its expense to deliver written notice thereof to Landlord objecting to and specifying such title defects no later than ten (10) days after its receipt of such title commitment. Landlord shall not be obligated to cure any such defect other than monetary liens arising by, through or under Landlord (such as mortgages), which shall be paid at closing. Landlord shall have a period of thirty (30) days within which to cure or remove such defects, failing which Tenant shall have the right to: (i) accept title as it then is, or (ii) terminate the Option in which event the Deposit shall be returned to Tenant promptly upon demand therefor and thereupon Landlord and Tenant shall be released from any and all further obligations and liabilities to each other hereunder, except with respect to any obligations expressly surviving termination hereunder and their respective obligations under the Lease. Any matters reflected on the title commitment that do not render title to the Premises unmarketable or uninsurable, or which are not objected to by Tenant, or which are waived or deemed waived by Tenant, shall constitute Permitted Exceptions hereunder.

4. SURVEY. Tenant, at Tenant's expense, may have the Premises surveyed at any time prior to the date of closing hereunder. The plat of survey shall be prepared by a registered and licensed New York surveyor. The plat of survey shall be certified to Tenant, Landlord, the Title Agent and any lender providing financing to Tenant for its acquisition of the Premises. The plat of survey shall reflect that the survey was performed (and the plat of survey was prepared) in compliance with the Minimum Technical Standards for Land Surveying in the State of New York. The plat of survey shall locate all improvements on the Premises and as well as all easements and other matters affecting the Premises as disclosed in the title insurance commitment referred to above. In the event that such survey discloses any encroachments, overlaps, boundary line disputes or easements not disclosed by the public records (or any other matters) that render title to the Premises unmarketable or uninsurable, such matters shall be deemed "title defects" and shall be subject to the provisions of paragraph 3 hereinabove.

5. CONVEYANCE OF LAND AND IMPROVEMENTS. Title to the Premises shall be conveyed to Tenant by special warranty deed, free and clear of all liens, encumbrances and matters whatsoever except the following:

(a) The Permitted Exceptions.

(b) Taxes for the year of closing and subsequent years.

(c) Zoning, restrictions, prohibitions and other requirements imposed by governmental authority.

6. DATE AND PLACE OF CLOSING. Closing on the purchase and sale of the Premises in accordance with this Agreement shall occur at 10:00 a.m. eastern within 60 day from the date Tenant exercises the Option at the offices of Title Agent or such other date and location as the parties shall mutually agree.

7. DOCUMENTS FOR CLOSING.

(a) At the closing, Landlord will execute and deliver, or cause to be executed and delivered, the following instruments and documents:

(i) A duly executed and acknowledged warranty deed conveying title to the Premises to Tenant. Conveyance shall be free of all tenancies except for Tenant.

(ii) A lien, possession and encumbrance affidavit in customary form sufficient to delete the standard exceptions relating to construction liens and parties in possession.

(iii) A Closing Statement prepared in accordance with this Agreement.

(iv) Such affidavits and other instruments and documents in form reasonably satisfactory to the title insurance company necessary to establish of record that the signatures on the deed and other instruments conveying title to the Premises are sufficient to bind the Landlord and convey the Premises to Tenant and that all requisite approvals under Landlord's organizational documents have been obtained.

(v) A non-foreign status affidavit and certificate in customary form.

(b) Tenant shall deliver at closing the following:

(i) Closing funds to satisfy the Purchase Price

(ii) A Closing Statement prepared in accordance with this Agreement, which has been executed by Tenant.

(iii) Such affidavits and other instruments and documents in form reasonably satisfactory to the title insurance company necessary to establish the good standing of Tenant for title purposes and that are sufficient to bind Tenant and that all requisite approvals under Tenant's organization document have been obtained..

(iv) Payment (by bank wire transfer) of an amount sufficient to cover Tenant's closing expenses.

8. CLOSING EXPENSES. Tenant shall pay: (i) the documentary stamps to be affixed to the warranty deed, if applicable, (ii) the cost to record the warranty deed; and (iii) the

premium for the owner's and loan title insurance policies and the title search expense therefor, (iv) the cost of the survey; and (v) all reasonable costs and expenses associated with Tenant's financing. Each party shall pay its respective legal fees.

9. INTENTIONALLY DELETED.

10. DEFAULT AND REMEDIES.

(a) Default by Tenant and Remedies of Landlord. In the event Tenant defaults in Tenant's obligation to close on the purchase of the Premises in accordance with the terms hereof, the Deposit shall be disbursed and/or paid to Landlord as consideration for the grant of the Option by Landlord and as agreed upon liquidated damages in full settlement of all claims hereunder, whereupon all parties shall be released from further liability hereunder (except with respect to the obligations expressly surviving termination hereunder or under the Lease).

(b) Default by Landlord and Remedies of Tenant. In the event Landlord defaults in the performance of its obligations under this Agreement, Tenant shall be limited to the following remedies:

(i) Tenant shall have the right of specific performance, or

(ii) Tenant may elect to terminate the Option by written notice to Landlord, whereupon the Deposit shall be returned to Buyer and thereupon all rights and liabilities of the parties hereto shall cease and terminate, except as to any obligations expressly surviving termination hereunder.

11. BROKERS. Landlord and Tenant hereby represent and warrant to each other that no real estate agent, broker, finder or other intermediary has been consulted or contacted by either party or involved at the instance of either party in connection with the transaction contemplated by this Agreement. and hereby agrees to indemnify, defend and hold each other harmless from and against any claim, liability, loss, cost, damage or expense (including, without limitation, reasonable attorneys' fees and other legal expenses whether incurred at or before the trial level or in appellate, bankruptcy or administrative proceeding) which the other party may suffer, sustain or incur because of any claim made by any real estate agent, broker, finder or other intermediary claiming a broker fee or commission or other compensation with respect to this Agreement or the transaction contemplated hereby.

12. RISK OF LOSS. In the event of any damage to the Improvements by fire or other casualty, the Option shall nevertheless remain in full force and effect, without any abatement whatsoever allowed to Tenant with respect to the Purchase Price, except as provided below in this paragraph.

(a) In the event of any damage to the Improvements by fire or other casualty which, considering its nature and extent, can be repaired prior to the date of closing hereunder, Landlord shall restore or repair such damage by the time of closing hereunder (all work to be done in a good, workmanlike manner so that the same shall have been restored to a condition substantially equal to or better than that existing immediately prior to the fire or casualty), in which event, Landlord shall be

entitled to receive the proceeds payable under the insurance policies, if any, covering the damage to the Improvements.

(b) In the event of any damage to the Improvements by fire or other casualty which, considering its nature and extent, cannot be repaired prior to the date of closing hereunder due to the proximity of the date of the occurrence of such damage to the date of closing, then Tenant, at its sole discretion, may elect to close, by written Notice to Landlord within twenty (20) days of the event of damage, on the Premises in its damaged condition (without any reduction in the Purchase Price) together with any insurance proceeds payable by virtue of such loss or damage, in which event, at and as a part of the closing, Landlord shall execute and deliver to Tenant such instruments and documents as may be necessary or desirable to effect the absolute and unconditional assignment to Tenant of the right to receive such insurance proceeds. If Tenant does not elect to close, the Option will be terminated and Tenant will be relieved of any further obligation under the Option and Tenant's Deposit hereunder shall be returned to Tenant and Tenant shall have no further claim to the Premises except as may otherwise exist under the Lease. Additionally, Landlord shall use good faith efforts to obtain prior to closing the written commitment from the insurance carrier or carriers to pay all of such insurance proceeds to Tenant forthwith upon written demand of Tenant, which written commitment, if so obtained by Landlord, shall be delivered to Tenant at and as a part of the closing.

Landlord and Tenant hereby agree to work together promptly to determine, in their best collective judgment, whether the damage can be repaired prior to the date of closing.

13. MISCELLANEOUS.

(a) Notices. Any notices or other communications which may be required or desired to be given under the terms of this Agreement shall be sent in accordance with the notice provisions of the Lease.

(b) Modification and Waiver. This Agreement may not be changed, amended or modified in any respect whatsoever except in writing signed by both parties, nor may any covenant, agreement, condition, requirement, provision, warranty or obligation contained herein be waived, except in writing signed by the party or parties to whose detriment the waiver inures.

(c) Attorneys' Fees. In connection with any litigation, including appellate proceedings, arising out of or under this Agreement, the prevailing party in such litigation shall be entitled to recover such party's reasonable out-of-pocket costs and reasonable attorneys' and paralegals' fees incurred prior to trial, at trial and on appeal.

(d) Venue. The venue of any litigation arising out of this Agreement shall be in Dutchess County, New York.

(e) (Intentionally omitted).

(f) Governing Law. This Agreement and the interpretation and enforcement thereof shall be governed by and construed in accordance with the laws of the State of New York.

(g) Exhibits. Any exhibits attached hereto and referred to herein are by such attachment and reference made a part of this Agreement for all purposes.

(h) Paragraph Headings. The paragraph headings herein contained are inserted for convenience of reference only and shall not be deemed to be a part of this Agreement; the paragraph headings shall be ignored in construing and interpreting this Agreement.

(i) Singular and Plural Usages. Whenever used herein, the singular number includes the plural, the plural the singular, and the use of any gender includes all genders.

(j) Construction of Agreement. The fact that one of the parties to this Agreement may be deemed to have drafted or structured any provision of this Agreement shall not be considered in construing or interpreting any particular provision of this Agreement, either in favor of or against such party.

(k) Assignment; Successors and Assigns. This Agreement may not be assigned by Tenant without Landlord's prior written consent, which may be withheld in Landlord's sole discretion, except that Tenant may assign the Option to any entity which is owned or controlled by the same persons or entities as Tenant without Landlord's consent. In the event of any assignment requiring Landlord consent, the assignee must assume all of the obligations of Tenant hereunder, in writing, in form and content acceptable to Landlord, and such written assignment and assumption must be provided to Landlord as a condition to Landlord's consent. In addition, no assignment shall relieve Tenant of its obligations hereunder. Landlord may not assign this Agreement without prior written notice to Tenant.

(l) Severability. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Agreement, or the application thereof, to any person or circumstance shall for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but rather shall be enforced to the maximum extent possible.

(m) No Partnership or Joint Venture. The relationship of Tenant and Landlord hereunder is that of Tenant and Landlord only, and none of the provisions of this Agreement are intended to or do create a partnership or joint venture.

(n) Radon. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of Radon that exceed Federal and State guidelines have been found in buildings in New York. Additional information regarding Radon and Radon testing may be obtained from your county public health unit.

(o) 1031 Exchange. If Landlord elects to treat the sale of the Premises as a deferred exchange under Section 1031 of the Internal Revenue Code, Tenant shall cooperate with Landlord in effecting such exchange so long as Tenant incurs no additional risk or expense in connection therewith.

2. **R-25-82**, Resolution Approving Agreement between the City of Poughkeepsie and the Poughkeepsie City School District (PCSD) Allowing the Student Athletic Basketball Program (SABP) to use the Gymnasiums through the 2028 Program Year

RESOLUTION

(R-25-82)

INTRODUCED BY CHAIRMAN WILSON; COUNCILMEMBER SHOOK, PATTERSON THOMPSON, HENRY, MENIST, BROWN, JAMES, GRANT, MCCLINTON:

WHEREAS, Poughkeepsie City School District (PCSD) owns and maintains gymnasiums and related facilities at its High School, Middle School, and five elementary schools; and

WHEREAS, the City is desirous of utilizing PCSD's gymnasiums for the Student Athletic Basketball Program (SABP); and

WHEREAS, the Common Council of the City of Poughkeepsie and governing boards of PCSD have determined that it is in their mutual interests to enter into an Agreement for the purpose of allowing the Student Athletic Basketball Program to use the gymnasiums for the through the 2028 program year; and

WHEREAS, the Common Council of the City of Poughkeepsie and governing boards of PCSD have determined that it is in their mutual interests to share the costs of running such program which operates for the benefit of youth in the City of Poughkeepsie who are students of the Poughkeepsie City School District; and

WHEREAS, Article 5-G of the General Municipal Law specifically authorizes and encourages municipal corporations to enter into an agreement with each other in order to provide cooperatively, jointly and by contract any facility, service, activity or undertaking which each participating municipal corporation has the power to provide separately; and

NOW, THEREFORE,

BE IT RESOLVED, that the Common Council hereby authorizes the Mayor to execute the attached Inter-municipal Agreement in form and substance as attached hereto.

INTERMUNICIPAL AGREEMENT

THIS AGREEMENT made and entered into as of the ___ day of November, 2025, between the **POUGHKEEPSIE CITY SCHOOL DISTRICT**, a school district of the State of New York, with offices at 11 College Avenue, Poughkeepsie, New York 12603 (hereinafter "PCSD") and **THE CITY OF POUGHKEEPSIE**, a small city within the State of New York, with offices at Municipal Building, Poughkeepsie, New York 12601.

WITNESSETH:

WHEREAS, PCSD owns and maintains gymnasiums and related facilities at its High School, Middle School, and five elementary schools; and

WHEREAS, the City is desirous of utilizing PCSD's gymnasiums for the City Recreation Basketball League; and

WHEREAS, governing boards of PCSD and the City have determined that it is in their mutual interests to enter into this Agreement for the purpose of allowing the [Student Athletic Basketball Program] to use the gymnasiums for the City Recreation Basketball League; and

WHEREAS, governing boards of PCSD and the City have determined that it is in their mutual interests to share the costs of running such program which operates for the benefit of youth in the City of Poughkeepsie who are 4th, 5th and 6th grade students of the Poughkeepsie City School District; and

WHEREAS, Article 5-G of the General Municipal Law specifically authorizes and encourages municipal corporations to enter into agreement with each other in order to provide cooperatively, jointly and by contract any facility, service, activity or undertaking which each participating municipal corporation has the power to provide separately; and

NOW, THEREFORE, in consideration of the promises and mutual covenants and agreements contained herein, the parties agree as follows:

1. PCSD will allow the City to use its facilities; i.e. gymnasiums and locker rooms at the Elementary, Middle School and High schools without charge. Additionally, PCSD will provide \$5,000.00 toward the cost of running this program which shall be available to students of the PCSD. In addition, PCSD will provide security staff to work at competitive events throughout the season.
2. The City agrees to provide \$10,000 towards the cost of uniforms and any other costs to support the Student Athletic Basketball program in consideration of the City's use of the PCSD facilities as set forth above. The City or PCSD will not cover any travel costs, and the program must operate in the City of Poughkeepsie.
3. The City and PCSD shall furnish, at the time of the signing of this Agreement, proof of insurance for Commercial General Liability (CGL) insurance in the

amount of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate, including products and completed operations, as well as Excess coverage in the amount of \$2,000,000 on a "follow-form" basis. The insurance policies will name the Poughkeepsie City School District, its officers, employees and agents, as an additional named insured with ISO additional insured endorsement CG 20 26 or equivalent. Additionally, the City shall provide proof of Workers' Compensation insurance. The insurance shall remain in force at all times during the term of this Agreement and any renewal hereof, and shall provide for any notice of cancellation to be sent to PCSD at least 30 days prior to any cancellation. The City's failure to obtain or maintain such insurance coverage shall result in the immediate termination of this Agreement, without notice.

4. The City agrees to comply with applicable laws and regulations as well as PCSD's policies, rules, regulations and procedures with regard to the use of its facilities, and which may be subject to change from time to time.
5. It is expressly understood that PCSD shall not be responsible for the payment of any debts or obligations incurred by the City in connection with this program.
6. This Agreement constitutes the complete understanding of the parties. No modification or any provision of this Agreement shall be valid unless in writing and signed by both parties, after authorization by the governing body of PCSD and the City.
7. This Agreement shall be for a term of three (3) years, the term to commence on February 2, 2026 and to end on December 29, 2028, subject to renewal for additional three-year terms upon approval of the governing body of each party hereto.
8. This Agreement may not be assigned by either party.
9. If any provision of this Agreement is deemed to be invalid or inoperative for any reason, that part shall be deemed modified to the extent necessary to make it valid or operative, or if it cannot be so modified, then severed and the remainder of the Agreement shall continue in full force and effect as if the Agreement had been signed with the invalid portion so modified or eliminated.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed, after authorization by the respective governing bodies, on the day and year first above written.

POUGHKEEPSIE CITY SCHOOL DISTRICT

BY: _____

THE CITY OF POUGHKEEPSIE

BY: _____

Yvonne S. Flowers

Mayor

IX. CONSENT AGENDA: ORDINANCES AND LOCAL LAWS:

X. ACTION AGENDA: MOTIONS AND RESOLUTIONS:

XI. ACTION AGENDA: ORDINANCES AND LOCAL LAWS:

XII. MAYOR'S COMMENTS:

XIII. CHAIRMAN'S COMMENTS AND PRESENTATIONS:

I'd just like to thank everyone that came out. Also, thank everyone that participated in the local elections. As we just said, you heard it over and over again that the blue wave is here. Welcome to our 8th Ward Councilmember-Elect Mr. Atonna, we look forward to all the great ideas you have been presenting to put into effect.

And once again, thank everyone here, everyone that's listening at home. And we want to continue, as you've heard from our Councilman Menist about the history of some of the things. As you just know, that we are continuously working to make improvements to the City of Poughkeepsie. Those that have been a constant or have been here for a long time know that we did not get here overnight, and we will not get out of here overnight. But it's slowly, as you can see, working together, the suggestions with the town, a lot of with the county, the legislators, all those things are already in place and already in motion, and we just look forward to making our city as it always is, the premier city for our county.

I do want to just address one thing too. It was said that crime and things like that are up in Poughkeepsie. That is actually false.

The Chief of Police has expressed that numerous times, has also expressed it during the informational meeting. Crime is not up in the City of Poughkeepsie. Only difference is, is that we know is that you get to see it more because of social media, Newsbreak like that. So it seems like crime is going on because you're seeing more than you used to see on your cell phones, but crime is not up.

Vagrancy and all those type of things and loitering, that's up, but we already know the problem because of that. We all know that the county and different municipalities have sent a lot of their people for the services to the City of Poughkeepsie. So, that wasn't happening before, but now that has happened, and that's what we're dealing with. And, as Councilman Henry said, we're going to be working diligently with the police department in the city to help clean up Main Street.

But crime is not up. It's actually the police and the task force has been doing a tremendous amount of work to to mitigate that. Main Street is our number one issue, and we're all aware of it, and we're all on top of it.

Official Minutes of the Common Council Meeting of November 18, 2025

So thank you all for coming out.

XIV. ADJOURNMENT:

At 7:23pm a motion to adjourn the meeting was made by 7th Ward Council Member Patterson Thompson and seconded by 6th Ward Council Member Grant.

Dated: November 20, 2025

I hereby certify that this true and correct copy of the Minutes of the Common Council Meeting held on Tuesday, November 18, 2025.

**Respectfully submitted,
Donna M. DeLuca
Deputy City Chamberlain**