City of Poughkeepsie Industrial Development Agency

P.O. Box 4971

Poughkeepsie, New York 12601

MEETING AGENDA, 2022

April 13, 2022

- Chairperson call meeting to order
- Roll call by Secretary
- Approval of Agenda
- Approval of Minutes of previous Meeting
- Public Comment
- Public Hearing on 160 Union Street.
- Resolution – Project Authorizing Resolution for 160 Union Street.
- Next steps for May 11th Meeting.
- Adjourn Meeting

Date: April 13, 2022

At a regularly scheduled meeting of the City of Poughkeepsie Industrial Development Agency (the "Agency") duly convened by the Chairperson of the Agency and held on Wednesday, April 13, 2022, at 6:30 p.m. at Common Council Chambers, Poughkeepsie City Hall, 62 Civic Center Plaza, 3rd Floor, Poughkeepsie, New York 12601, the following members of the Agency were:

Present:

Absent:

After the meeting had been duly called to order, the Chairperson announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the 160 Union Holdings LLC Facility Project of the Agency.

The following resolution was duly moved and seconded, discussed and adopted with the following members voting:

Voting Aye	Voting Nay

RESOLUTION OF THE CITY OF POUGHKEEPSIE INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE 160 UNION HOLDINGS LLC FACILITY PROJECT OF THE AGENCY, AUTHORIZING CERTAIN OFFICERS OF THE AGENCY TO HAVE PREPARED, EXECUTE AND DELIVER AN AMENDMENT THE LEASE AND PROJECT AGREEMENT DATED AS OF NOVEMBER 1, 2020 BETWEEN THE AGENCY AND 160 UNION HOLDINGS LLC; AND MAKING CERTAIN OTHER FINDINGS AND DETERMINATIONS IN RELATION THERETO

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 304 of the Laws of 1974 of the State of New York, as amended (collectively, the "Act"), the City of Poughkeepsie Industrial Development Agency (the "Agency") was created with the authority and power, among other things, to promote, develop, encourage and assist in the acquisition, construction, improvement, maintenance, equipping and furnishing of certain industrial, manufacturing, warehousing, commercial, research, civic and recreation facilities as authorized by the Act in order to promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the City of Poughkeepsie, New York and of the State of New York and to improve their standard of living; and

WHEREAS, the Agency entered into a Lease and Project Agreement dated as of November 1, 2020 (the "Project Agreement") with 160 Union Holdings, LLC (the "Company") relating to a project described therein (the "Project"); and

WHEREAS, the payments-in-lieu-of taxes benefits ("Enhanced PILOT Benefits") for the Project are set forth in Section 5.1 and Exhibit C of the Project Agreement and such Enhanced PILOT Benefits deviate from the Agency's Uniform Tax Exemption Policy (the "Policy"); and

WHEREAS, the provision of such Enhanced PILOT Benefits are currently predicated upon the Agency approving, by August 9, 2023, payments-in-lieu-of taxes benefits for certain other projects anticipated to be undertaken by the Company at 147 Union Street and 166 Union Street (collectively, the "Related Projects"); and

WHEREAS, due to the uncertainty as to the timing of municipal approvals required in connection with the Related Projects and the need for certainty in relation to obtaining permanent mortgage financing for the Project, and the ability to continue to make the Project financially feasible for the Company to redevelop this parcel of land in the City of Poughkeepsie, the Agency is desirous entering into an amendment to the Project Agreement (the "Amendment to Project Agreement") to (i) remove the requirement of approval of payments-in-lieu-of taxes benefits for the Related Projects, and (ii) to deviate from both the Policy as well as from the Enhanced PILOT Benefits set forth in the Project Agreement such that the Enhanced PILOT Benefits would continue irrespective as to the approval of payments-in-lieu-of taxes benefits for the Related Parcels; and

WHEREAS, on April 1, 2022 the Agency published in *The Poughkeepsie Journal* a notice of public hearing for said deviation. The public hearing was duly held at Common Council

Chambers, Poughkeepsie City Hall, 62 Civic Center Plaza, 3rd Floor, Poughkeepsie, New York on April 13, 2022; and

WHEREAS, concurrently with the publication of the notice the Agency notified the chief executive officer of each affected taxing jurisdiction of the proposed deviation and public hearing, that the proposed financial assistance deviated from the Policy and from the Enhanced PILOT Benefits, and stated the reasons for such deviation; and

WHEREAS the Agency received comments about the deviation and considered those comments prior to making any final decisions regarding approving said deviation,

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

Section 1. The Agency finds and determines that due to the uncertainty as to the timing of municipal approvals required in connection with the Related Projects and the need for certainty in relation to obtaining permanent mortgage financing for the Project, and the ability to continue to make the Project financially feasible for the Company to redevelop this parcel of land in the City of Poughkeepsie, an amendment to the Enhanced PILOT Benefits as set forth in the Project Agreement is warranted and necessary.

Section 2. The Chair or Vice-Chair of the Agency (each an authorized officer) of the Agency are hereby authorized to have prepared, execute and deliver the Amendment to Project Agreement, with such provisions and conditions not inconsistent with the provisions hereof.

Section 3. The Enhanced PILOT Benefits are hereby amended such that said Enhanced PILOT Benefits will continue irrespective as to the approval of payments-in-lieu-of taxes benefits for the Related Parcels. The Enhanced PILOT Benefits will remain as follows:

The Enhanced PILOT Benefits will be for a term of ten (10) years commencing on November 1, 2020, and will provide for an abatement of real property taxes on the Project only with respect to the incremental tax assessment of the Project after its development, to wit: for the first three (3) years of the Enhanced PILOT Benefits, one hundred percent (100%) of the property taxes on the incremental tax assessment of the Project after its development shall be exempted. Thereafter, PILOT Payments equal to 5%, 15%, 20%, 40%, 50%, 60% and 70% of the property taxes on the incremental tax assessment of the Project after development will be paid from years four (4) through ten (10) under the PILOT Agreement. Commencing in year eleven (11), the Project will pay full, one hundred percent (100%), taxes (or PILOT Payments equal to full taxes).

Section 4. Paragraph (d) of Section 5.4 "Recapture of Agency Benefits" of the Project Agreement is hereby amended by deleting in its entirety the existing text and inserting in place thereof the following text: "Intentionally Omitted".

Section 5. Exhibit C to the Project Agreement is hereby amended to read as follows:

EXHIBIT C

(Enhanced PILOT)

PILOT Schedule

The Project is expected to be the first property developed in a much larger contiguous neighborhood project anticipated to be undertaken by the Company which would, the Agency believes, be significantly catalytic to the revitalization of the entire neighborhood. Further, the Project will serve to improve the Mid-Hudson Bridge entry into the City of Poughkeepsie. Therefore, the schedule of PILOT Payments on this Exhibit C ("Enhanced PILOT") shall be as set forth below.

PILOT Year	County and City Tax Year	School District Tax Year	Percent Tax Exemption of Annual Incremental Tax Increase Amount for Completed Improved Property
Year 1	2022	2021-2022	100%
Year 2	2023	2022-2023	100%
Year 3	2024	2023-2024	100%
Year 4	2025	2024-2025	95%
Year 5	2026	2025-2026	85%
Year 6	2027	2026-2027	80%
Year 7	2028	2027-2028	60%
Year 8	2029	2028-2029	50%
Year 9	2030	2029-2030	40%
Year 10	2031	2030-2031	30%

Section 6. Exhibit C-1 to the Project Agreement is hereby deleted.

Section 7. The Chair Person and Vice-Chair of the Agency each are authorized to execute and deliver documentation reasonable or necessary to make effective the Amendment to Project Agreement authorized by this resolution.

Section 8. The effectiveness of this resolution is conditioned upon the Company agreeing to pay reasonable fees and expenses of the Agency, including counsel to the Agency, in connection with the matter addressed by the Amendment to Project Agreement.

Section 9. Subject to the condition set forth in Section 8, this resolution shall take effect immediately.

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

I, the undersigned, Secretary of the City of Poughkeepsie Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the City of Poughkeepsie Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on April 13, 2022, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolutions are in full force and effect and have not been amended, repealed or modified.

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

By: _____
Vincent Pedi
Secretary