

RESOLUTION AUTHORIZING AMENDMENT
(CANAM Hudson Valley Logistics Owner, LLC 2023 Project)

At a regular meeting of the Dutchess County Industrial Development Agency (the “Agency”) convened in public session at 8:00 a.m., local time at Three Neptune Road, Poughkeepsie, New York on the 13th day of March, 2024, the following members of the Agency were:

PRESENT: Timothy Dean, Chairman
Mark Doyle, Vice Chairman
Kathleen M. Bauer, Secretary/Treasurer
Alfred D. Torreggiani
Donald R. Sagliano
Ronald J. Piccone, II
Amy L. Bombardieri

ABSENT:

ALSO PRESENT: Sarah Lee, Executive Director
Jane Denbaum, Chief Financial Officer
Donald Cappillino, Counsel
Elizabeth A. Cappillino, Counsel

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a certain industrial development facility (CANAM Hudson Valley Logistics Owner, LLC 2023 Project) as more particularly described below:

RESOLUTION OF THE DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING AN INCREASE IN THE EXEMPTION FROM STATE AND LOCAL SALES AND USE TAXES WITH RESPECT TO THE FACILITY AND CERTAIN OTHER AMENDMENTS FOR CANAM HUDSON VALLEY LOGISTICS OWNER, LLC AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT AGREEMENT AND RELATED DOCUMENTS IN CONNECTION THEREWITH.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended and Chapter 335 of the Laws of 1977 of the State of New York (collectively, the “Act”), the Agency was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency previously provided its assistance to CANAM HUDSON VALLEY LOGISTICS OWNER, LLC, a Delaware limited liability company authorized to transact business in the State of New York, having offices at 9830 Colonnade Boulevard, Suite 600, San Antonio, Texas 78230 (the “Company”) for the following project (the “Project”) in

**CAPPILLINO,
ROTHSCHILD
& EGAN LLP**
Attorneys at Law
Seven Broad Street
P.O. Box 390
Pawling, New York
12564-0390
(845) 855-5444

connection with the acquisition, construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of a certain distribution facility (the “**Facility**”) consisting of the following:

(A) the acquisition of an approximately 33.73-acre parcel of land located at 500 South Drive, Town of East Fishkill, County of Dutchess, State of New York, bearing Tax Map Grid No. 132800-6356-04-587105-0000 (the “**Primary Parcel**”) and approximately 7.6 acres of land, being a portion of the 105-acre parcel of land owned by USEF Tioranda, LLC located at 76 Patriot Way, Town of East Fishkill, County of Dutchess, State of New York, bearing Tax Map Grid No. 132800-6356-04-606028-0000, to be subject to a permanent easement in favor of the Primary Parcel (the “**Secondary Parcel**”) and collectively with the Secondary Parcel, the “**Land**”);

(B) the construction of an approximately 540,000 square foot, one-story distribution facility, and approximately 124 loading docks, approximately 340 car parking spaces, and approximately 145 trailer parking spaces, as well as infrastructure improvements on the land including stormwater management facilities, landscaping, site lighting and other utility infrastructure (the “**Improvements**”) all to be located on the Land; and

(C) the acquisition and installation of new equipment, machinery and other personal property for use in the premises described above (collectively the “**Equipment**”) to be owned by the Agency and leased to the Company and used as part of the Facility.

WHEREAS, the Project was approved by resolution duly adopted by the Agency on December 14, 2022 (the “**Authorizing Resolution**”); and

WHEREAS, the Company and the Agency previously entered into a Company Lease Agreement, dated as of February 1, 2023 (the “**Company Lease**”), whereby the Company leased the Facility to the Agency; and

WHEREAS, the Agency and the Company previously entered into a Lease and Project Agreement, dated as of February 1, 2023 (the “**Lease Agreement**”), whereby the Agency leased the Facility to the Company; and

WHEREAS, on December 3, 2023, the Company submitted a request to the Agency for an amendment to the Lease Agreement to increase the Maximum Company Sales Tax Savings Amount (as defined in the Lease Agreement) due to additional construction expenses related to design changes and updates for the project (the “**Amended Financial Assistance**”); and

WHEREAS, on February 14, 2024, the Agency amended its Policy on Maintaining Performance Based Incentives to include provisions for the enforcement of recapture provisions in the case of industrial multi-tenant projects (the “**Amended Policy**”); and

WHEREAS, in connection with the Amended Financial Assistance and the Agency’s Amended Policy, the Agency and the Company intend to amend the Lease Agreement, pursuant to the terms of a First Amendment of Lease and Project Agreement dated as of March 1,

2024, by and between the Agency and the Company (the “**First Amendment of Lease Agreement**”) to (i) amend Section 5.4 of the Lease Agreement and Exhibit G to the Lease Agreement to incorporate changes resulting from the Amended Policy; and (ii) amend the Maximum Company Sales Tax Savings Amount (as defined in the Lease Agreement) to increase such amount by \$300,000.00 to reflect a new Maximum Company Sales Tax Savings Amount of \$2,120,000.00; and

WHEREAS, in compliance with §859-a of the Act, the Agency on March 7, 2024 held a public hearing on the Amended Financial Assistance as set forth herein following publication in the *Poughkeepsie Journal* on February 22, 2024 of a notice of the public hearing.

NOW, THEREFORE, BE IT RESOLVED, by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency reaffirms and readopts all the findings and determinations in its Authorizing Resolution.

Section 2. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The public hearing held by the Agency on March 7, 2024 concerning the Amended Financial Assistance as set forth herein was duly held in accordance with the laws of the State of New York, including but not limited to the giving of public notice of the meeting a reasonable time before the meeting and affording a reasonable opportunity for persons with differing views to be heard on the Amended Financial Assistance; and

(c) The Amended Financial Assistance will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Dutchess County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The Amended Financial Assistance will serve the Agency’s public purposes as set forth in the Act by preserving or increasing the number of permanent, private sector jobs in Dutchess County and the State of New York; and

(e) It is desirable and in the public interest for the Agency to approve the requested Amended Financial Assistance; and

(f) The First Amendment of Lease Agreement will be an effective instrument whereby the Agency and the Company agree to amend the Lease Agreement to i) amend Section 5.4 of the Lease Agreement and Exhibit G to the Lease Agreement to incorporate changes resulting from the Amended Policy; and ii) increase in the Maximum Company Sales Tax Savings Amount from \$1,820,000.00 to \$2,120,000.00.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) execute and deliver the First Amendment of Lease Agreement, in such forms and containing such terms, conditions and provisions as the person executing the same on behalf of the Agency shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof, and (ii) execute, deliver and perform such other related documents to which the Agency is a party, as may be necessary or appropriate.

Section 4. The Chairman, Vice Chairman, any member of the Agency or the Executive Director are hereby authorized, on behalf of the Agency, to execute and deliver the First Amendment of Lease Agreement in such form as the Chairman, Vice Chairman, any member of the Agency or the Executive Director shall approve, and such other related documents as may be, in the judgment of the Executive Director and Agency Counsel and Transaction Counsel, necessary or appropriate to effect the transactions contemplated by this resolution. The execution thereof by the Chairman, Vice Chairman, any member of the Agency or the Executive Director of the Agency shall constitute conclusive evidence of such approval.

Section 5. This resolution shall take effect immediately.

This resolution was duly moved by Amy L. Bombardieri, seconded by Donald R. Sagliano, discussed and adopted with the following members voting:

| | | |
|--|--------|-------|
| Timothy Dean, Chairman | VOTING | “Aye” |
| Mark Doyle, Vice Chairman | VOTING | “Nay” |
| Kathleen M. Bauer, Secretary/Treasurer | VOTING | “Aye” |
| Alfred D. Torreggiani | VOTING | “Aye” |
| Donald R. Sagliano | VOTING | “Aye” |
| Ronald J. Piccone, II | VOTING | “Aye” |
| Amy L. Bombardieri | VOTING | “Aye” |

Adopted: March 13, 2024

