

**PRELIMINARY RESOLUTION
(Meadow View Properties, LLC 2016 Facility)**

A Regular meeting of the Dutchess County Industrial Development Agency was convened in public session on February 16, 2016 at 8:00 a.m., local time, at the office of the Dutchess County Industrial Development Agency, Three Neptune Road, Poughkeepsie, New York.

The meeting was called to order by the Chairman, with the following members being:

PRESENT: Timothy Dean, Vice Chairman
Angela E. Flesland, Assistant Secretary
Edward Summers
Mark Doyle
Alfred D. Torreggiani

ABSENT: Charles Daniels III, Chairman
Phyllis DiStasi Keenan, Secretary/Treasurer

ALSO PRESENT: Donald Cappillino, Agency Counsel
Sarah Lee, Executive Director

On motion duly made by Mark Doyle and seconded by Alfred D. Torreggiani, the following resolution (the "**Resolution**") was placed before the members of the Dutchess County Industrial Development Agency:

Resolution (i) Taking official action toward the issuance of financial assistance to Meadow View Properties, LLC (Meadow View Properties, LLC 2016 Facility) in the form of potential exemption from sales and use taxes, real estate transfer taxes and mortgage recording taxes and exemption from real estate property taxes, and; (ii) authorizing the execution and delivery of an agreement by and between the Agency and Meadow View Properties, LLC with respect to such financial assistance.

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 Dutchess County Industrial Development Agency (the "**Agency**") was created with the authority and power to provide financial assistance for the purpose of, among other things, acquiring, constructing and equipping certain facilities as authorized by the Act; and

WHEREAS, Meadow View Properties, LLC, a New York limited liability company with offices at 199 West Road, Suite 101, Pleasant Valley, New York 12569 (the "**Company**"), has requested that the Agency provide financial assistance in connection with the

acquisition, construction, improvement, installation, furnishing and equipping of a certain mixed use commercial facility (the "Facility") in approximately five phases, known as "MacDonnell Heights Town Center" and consisting of the following:

- (A) the acquisition, construction, improvement, installation, furnishing and installation of:
 - (a) approximately 288 residential rental units containing a mixture of studio apartments, one-bedroom apartments, two-bedroom apartments, and three-bedroom apartments and situated in twelve (12) three-story buildings with a total aggregate square footage of approximately 302,000 square feet;
 - (b) approximately sixteen (16) two- and three-bedroom townhome-style rental units with garages located in four (4) buildings;
 - (c) a community center/clubhouse with a community pool;
 - (d) approximately eight (8) one- to three-story buildings that will contain approximately 85,400 square feet of mixed commercial use (currently anticipated to include medical offices, child care, restaurant/food service as well as general, retail space) on the ground floor and approximately 20,000 square feet of professional offices, general offices, and personal service businesses along with approximately 30,000 square feet of residential rental space on the second and third floors;

all to be located on the Company's premises at the following six (6) contiguous parcels of land located on the northwest side and southeast side of Dutchess Turnpike in the area between Victory Lane and Darrow Place, Town of Poughkeepsie, County of Dutchess, State of New York and more particularly described as follows:

- (1) 8.8 acres located at Dutchess Turnpike, bearing Tax Map No. 134689-6262-04-761394-0000;
- (2) 0.50 acres located at 936 Dutchess Turnpike, bearing Tax Map No. 134689-6262-04-758301-0000;
- (3) 0.438 acres located 932 Dutchess Turnpike, bearing Tax Map No. 134689-6262-04-754298-0000;
- (4) 0.66 acres located at 928 Dutchess Turnpike, bearing Tax Map No. 134689-6262-04-749282-0000;
- (5) 11.31 acres located at 935 Dutchess Turnpike, bearing Tax Map No. 134689-6262-04-723342-0000; and
- (6) 36.41 acres located at Dutchess Turnpike, bearing Tax Map No. 134689-6262-04-864243-0000; and

- (B) 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 to be used as part of the Facility; and

WHEREAS, the Facility includes the following, as they relate to the acquisition, construction, improvement, installation, furnishing and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, construction, improvement, installation, furnishing and equipping of the Facility and installation of Equipment in the Facility; and (ii) purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, construction, improvement, installation, furnishing and equipping of the Facility and installation of the Equipment; and

WHEREAS, the Agency has given due consideration to the application submitted by the Company, in which it is represented by the Company that the financial assistance (as defined herein) for the Facility will not result in the abandonment of a facility of the Company located elsewhere in the State of New York; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted by the Department of Environmental Conservation of the State of New York (the laws and regulations hereinafter collectively referred to as "**SEORA**"), the Agency is required to determine whether the financial assistance (as defined herein) for the Facility may have a significant effect on the environment and therefore require the preparation of an Environmental Impact Statement; and

WHEREAS, the Agency has yet to make a determination of environmental significance on this application but will do so prior to its grant of any financial assistance; and

WHEREAS, the proposed financial assistance sought by the Company from the Agency consists of the exemption from sales and use taxes, real estate transfer taxes and mortgage recording taxes and exemption from real estate property taxes (the "**Financial Assistance**") which deviates from the Dutchess County Uniform Tax Exemption Policy (the "**UTEP**") but has been consented to by the December 16, 2015 Resolution of the Town of Poughkeepsie Town Board, Resolution 12:16 - # 16 of 2015 and by the School Board of the Arlington Central School District on January 12, 2016; and

WHEREAS, the Agency has not yet held hearings pursuant to §859-a of Article 18-A of the General Municipal Law of the State of New York; and

WHEREAS, although the resolution authorizing the Financial Assistance has not yet been presented for approval by the Agency, a Preliminary Agreement relative to the proposed Financial Assistance has been presented for approval by the Agency.

NOW, THEREFORE, BE IT RESOLVED by the Dutchess County Industrial Development Agency, as follows:

1. Based upon the representations made by the Company to the Agency, the Agency hereby finds and determines that:

- (a) The Facility constitutes a "project" within the meaning of the Act;
- (b) The Financial Assistance for the Facility will not result in the abandonment of a facility of the Company;
- (c) The Financial Assistance for the Facility deviates from the Agency's UTEP but has been consented to by the affected taxing jurisdictions, viz., the Town of Poughkeepsie and the Arlington Central School District;
- (d) In accordance with the Retail and Housing Policy of the Agency, the approval of the project by the Town of Poughkeepsie has been obtained;
- (e) The Financial Assistance will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of Dutchess County, New York, and improve their standard of living, and thereby serve the public purposes of the Act; and
- (f) It is desirable and in the public interest for the Agency to assist the Company by granting the Financial Assistance.

2. Subject to the conditions set forth in ¶3 of this Resolution, the Agency will:

- (a) acquire a leasehold interest in the Facility; and
- (b) sublease the Facility to the Company and lease the Equipment to the Company pursuant to an agreement by and between the Agency and the Company.

3. The provision of Financial Assistance herein, as contemplated by ¶2 of this Resolution, shall be subject to:

- (a) the execution and delivery by the Company of the Preliminary Agreement attached hereto as Exhibit "A" setting forth certain conditions for the provision of the Financial Assistance;

- (b) the agreement between the Agency and the Company on a mutually acceptable "Payment in Lieu of Tax Agreement" (the "**PILOT Agreement**");
- (c) the holding of a public hearing pursuant to §859-a of Article 18-A of the General Municipal Law of the State of New York;
- (d) compliance with SEQRA; and
- (e) the adoption of an authorizing resolution by the Agency.

4. The form and substance of a proposed Preliminary Agreement (in substantially the form presented to this meeting) by and between the Agency and the Company setting forth the undertakings of the Agency and the Company with respect to the provision of Financial Assistance is hereby approved. The Executive Director of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Preliminary Agreement and the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency hereto and to attest to this meeting, with such changes in terms and conditions as the Executive Director shall constitute conclusive evidence of such approval.

5. The law firm of Nixon Peabody LLP, Rochester, New York, is hereby appointed Transaction Counsel to the Agency in relation to the provision of Financial Assistance.

6. Counsel to the Agency and Transaction Counsel for the Agency are hereby authorized to work with counsel to the Company and others to prepare for submission to the Agency, all documents necessary to effect the authorization and provision of Financial Assistance. The Company shall be responsible for the fees of Agency, Agency's Counsel and Transaction Counsel in relation to this Facility and the provision of Financial Assistance.

7. The Agency hereby approves and authorizes the following actions by the Chairman of the Agency, prior to the granting of any Financial Assistance with respect to the Facility, after consultation with counsel to the Agency and Transaction Counsel, (i) to establish the time, date and place for a public hearing of the Agency to hear all person interested in the Facility and the proposed Financial Assistance being contemplated by the Agency with respect to the Facility, said public hearing to be held in the Town of Poughkeepsie, Dutchess County, New York; (ii) to cause notice of such public hearing to be given to the public by publishing a notice in accordance with the applicable provisions of the N.Y. General Municipal Law, as well as, at the same time, provide notice of the hearing to the chief executive officer of each affected tax jurisdiction; (iii) to conduct such public hearing or cause such hearing to be conducted by his designee; and (iv) to cause a stenographic transcript of said public hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency.

8. The Executive Director of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution. The

Agency hereby appoints each Member of the Agency and the Agency Counsel to serve as an Assistant Secretary of the Agency for purposes of this project.

10. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to vote on roll call, which resulted as follows:

Charles Daniels III, Chairman	Being	ABSENT
Timothy Dean, Vice Chairman	VOTING	"Aye"
Phyllis DiStasi Keenan, Secretary/Treasurer	Being	ABSENT
Angela E. Flesland	VOTING	"Aye"
Edward Summers	VOTING	"Aye"
Mark Doyle	VOTING	"Aye"
Alfred D. Torregiani	VOTING	"Aye"

The Resolution was thereupon declared duly adopted.

Adopted: February 16, 2016

EXHIBIT A

PRELIMINARY AGREEMENT
(Meadow View Properties, LLC 2016 Project)

THIS PRELIMINARY AGREEMENT (the "Preliminary Agreement"), made as of February 16, 2016 between the **DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation, organized and existing under the General Municipal Law of the State of New York, having offices at Three Neptune Road, Poughkeepsie, New York 12601 (the "**Agency**"), and **MEADOW VIEW PROPERTIES, LLC**, a New York limited liability company, with offices located at 199 West Road, Suite 101, Pleasant Valley, New York 12569 (the "**Company**").

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 to provide financial assistance for the purpose of, among other things, acquiring, constructing and equipping certain facilities as authorized by the Act; and

WHEREAS, Meadow View Properties, LLC, a New York limited liability company with offices at 199 West Road, Suite 101, Pleasant Valley, New York 12569 (the "**Company**"), has requested that the Agency provide financial assistance in connection with the acquisition, construction, improvement, installation, furnishing and equipping of a certain mixed use commercial facility (the "**Facility**") in approximately five phases, known as "MacDonnell Heights Town Center" and consisting of the following:

- (A) the acquisition, construction, improvement, installation, furnishing and installation of:
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 - (c) a community center/clubhouse with a community pool;
 - (d) approximately eight (8) one- to three-story buildings that will contain approximately 85,400 square feet of mixed commercial use (currently anticipated to include medical offices, child care, restaurant/food service as well as general, retail space) on the ground floor and approximately 20,000 square feet of professional offices, general offices, and personal service businesses along with approximately 30,000 square feet of residential rental space on the second and third floors;

all to be located on the Company's premises at the following six (6) contiguous parcels of land located on the northwest side and southeast side of Dutchess Turnpike in the area

between Victory Lane and Darrow Place, Town of Poughkeepsie, County of Dutchess, State of New York and more particularly described as follows:

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 - (6) 36.41 acres located at Dutchess Turnpike, bearing Tax Map No. 134689-6262-04-864243-0000; and
- (B) 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 to be used as part of the Facility; and

WHEREAS, the Facility includes the following, as they relate to the construction, erection and completion of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with construction of the Facility and installation of equipment in the Facility; and (ii) purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with construction of the Facility and installation of the tools, machinery, and equipment; and

WHEREAS, the Agency has determined that the provision of financial assistant to the Facility will promote and further the purposes of the Act; and

WHEREAS, on February 16, 2016, the Agency adopted a Preliminary Resolution (the “**Preliminary Resolution**”) authorizing the Facility and the execution of this Preliminary Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Agency and the Company agree as follows:

1. Undertakings of the Agency. Based upon the statements, representations, and undertakings of the Company and subject to the conditions set forth herein and in the Preliminary Resolution, the Agency agrees as follows:

(a) The Agency shall adopt, or cause to be adopted, such proceedings and authorize the execution of such documents as may be necessary or advisable for (i) acquisition, construction, installation, furnishing and equipping of the Facility and the financing of such costs; and (ii) subleasing of the Facility to the Company and leasing the Equipment to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

(b) The Agency shall enter into an agreement to sublease the Facility to the Company (the "**Lease Agreement**"). The Lease Agreement shall contain all provisions required by law and such other provisions as shall be mutually acceptable to the Agency and the Company.

(c) The Agency shall take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

2. Representations of the Company. The Company hereby represents to the Agency that:

(a) The Facility is located in Dutchess County, New York;

(b) The proposed provision of financial assistance to the Facility will contribute to increased employment opportunities in Dutchess County, New York;

(c) The Company intends that the Facility will comply with all applicable federal, state, and local laws, ordinance, rules, and regulations and the Company shall have obtained all necessary approvals and permits required thereunder.

3. Undertakings of the Company. Based upon the statements, representations, and undertakings of the Agency and subject to the conditions set forth herein and in the Preliminary Resolution, the Company agrees as follows:

(a) The Company shall use all reasonable efforts necessary or desirable to enter into a contract or contracts for the acquisition of the Facility (to the extent not heretofore acquired) and on the terms and conditions set forth in the Lease Agreement, transfer to the Agency, or cause to be transferred to the Agency, title to, or a leasehold interest in, the Facility. The Company shall use all reasonable efforts necessary or desirable to enter into a contract or contracts for the acquisition of the Equipment and on the terms and conditions set forth in the Lease Agreement, transfer to the Agency, or cause to be transferred to the Agency, title to the Equipment.

(b) (i) To the extent the Agency is not defended and indemnified under a policy of insurance maintained by the Company, or either of them, and subject to any subrogation waivers contained in the Lease Agreement, the Company shall defend and indemnify the Agency

and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on: (1) labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition of the Facility and installation of equipment in the Facility (including any expense incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing) except that the Company shall not be required to indemnify the Agency for the willful or grossly negligent conduct of the Agency, its employees, agents or representatives; or (2) any untrue statement of a material fact necessary in order to make the statements herein, in the light of the circumstances under which they were made, not misleading.

(ii) The Company shall not permit to stand, and shall at its own expense take all steps reasonably necessary to remove, or to bond over in a manner satisfactory to the Agency, any mechanic's or other liens against the Facility for labor for the acquisition, construction, installation, furnishing and equipping of the Facility.

(iii) To the extent the Agency is not defended and indemnified under a policy of insurance maintained by the Company, or either of them, and subject to any subrogation waivers contained in the Lease Agreement, the Company shall indemnify and hold the Agency harmless from all claims and liabilities for loss or damage to property or any injury to or death of any person that may be occasioned subsequent to the date hereof by any cause whatsoever in relation to the Facility, including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing, except that the Company shall not be required to indemnify the Agency for the willful or grossly negligent conduct of the Agency, its employees, agents, or representatives.

(c) The Company shall, as agent for the Agency, comply with the requirements of Article 8 of the Labor Law of the State of New York, as amended, to the extent, if any, such Article is applicable to the Facility.

(d) The Company shall take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

4. General Provisions.

(a) This Preliminary Agreement shall take effect on the date of execution hereof until the Lease Agreement becomes effective. It is the intent of the Agency and the Company that this Preliminary Agreement be superseded in its entirety by the Lease Agreement.

(b) It is understood and agreed by the Agency and the Company that the execution of the Lease Agreement and related documents are subject to: (i) obtaining all necessary governmental approvals, (ii) approval of the members of the Agency; and (iii) agreement by the Agency and the Company upon mutually acceptable terms to a Payment-in-Lieu-of-Taxes Agreement.

(c) The Company agrees that it will reimburse the Agency for all reasonable and necessary direct out-of-pocket expenses which the Agency may incur as a consequence of executing this Preliminary Agreement or performing its obligations hereunder, including but not limited to, the cost of causing a notice of any public hearing held with respect to the Facility to be published, the cost of making and transcribing records of said hearings and the reasonable fees and expenses charged and incurred by Transaction Counsel and Agency's Counsel in connection with their representation of the Agency in this matter and their preparation of any documents pertaining to the provisions of Financial Assistance.

(d) All commitments of the Agency under ¶1 hereof and of the Company under ¶¶2 and 3 hereof (excepting the obligations of the Company set forth in subparagraphs 3(b) and 4(c) hereof, which shall survive the termination of this Preliminary Agreement) are subject to the condition that the Lease Agreement and a PILOT Agreement shall have been executed no later than twenty-four (24) from the date hereof (or such other date as shall be mutually satisfactory to the Agency and the Company).

(e) The Company (or an affiliate of Company being the then owner of the applicable phase) and Agency may enter into a series of Lease Agreements and PILOT Agreements at different times affecting portions of the Facility commensurate with the development and construction of each phase of the Facility.

(Remainder of page intentionally left blank.)

IN WITNESS WHEREOF, the parties hereto have entered into this Preliminary Agreement as of the 16th day of February, 2016.

DUTCHESS COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Sarah Lee, Executive Director

MEADOW VIEW PROPERTIES, LLC

By: _____
Joseph T. Kirchhoff, Managing Member

