AMENDED PRELIMINARY RESOLUTION
(Eastdale Village 2018 Project)

A special meeting of the Dutchess County Industrial Development Agency was convened in public session on June 6, 2018 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 Vice Chairman, with the following members being:

PRESENT: Timothy Dean, Vice Chairman
Mark Doyle, Secretary/Treasurer
Stacey M. Langenthal
Alfred D. Torreggiani

ABSENT: Charles Daniels III, Chairman

ALSO PRESENT: Sarah Lee, Executive Director
Marilyn Yerks, Chief Financial Officer
Elizabeth A. Cappillino, Counsel

On motion duly made by Alfred D. Torreggiani and seconded by Mark Doyle, 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 or granting of financial assistance to MHTC Development, LLC (Eastdale Village 2018 Project) 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 MHTC Development, 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, by resolution dated February 16, 2016 (the "**Preliminary Resolution**"), the Agency previously resolved to take official action toward the issuance or granting of financial assistance to Meadow View Properties, LLC, a New York limited liability company with offices at 199 West Road, Suite 101, Pleasant Valley, New York 12569 (the "**Prior Company**"), for a mixed-use commercial facility; and

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WHEREAS, the Agency has agreed to amend the Preliminary Resolution to reflect changes that have been made to the Project (as hereinafter defined) that will be undertaken by an affiliate or successor of the Prior Company; and

WHEREAS, MHTC Development, LLC, a New York limited liability company with offices at 199 West Road, Suite 101, Pleasant Valley, New York 12569 (the "**Company**") has submitted an amended application dated June 1, 2018 to the Agency for Financial Assistance (as hereinafter defined) to finance the following project (the "**Project**") in connection with the, construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of a certain mixed use commercial facility (the "**Facility**") in approximately eight phases, known as "Eastdale Village Town Center" and consisting of the following:

(A) the construction, improvement, reconstruction, repair, renovation, installation, furnishing and installation of:

(a) approximately 390 residential rental units containing a mixture of studio apartments, one-bedroom apartments, two-bedroom apartments, and three-bedroom apartments and situated in twenty (20) three-story buildings and six (6) mixed-use apartment and mercantile buildings with a total aggregate square footage of approximately 500,000 square feet;

(b) one community center, one fitness center and mail office, and one free-standing mail building; and

(c) approximately 100,000 square feet of mixed commercial use currently anticipated to include medical offices, professional offices, general offices, personal service businesses, child care, restaurant/food service as well as general, retail space located within the non-residential portion of the six (6) 3- story mixed use apartment and mercantile buildings and approximately four (4) one to three story commercial buildings;

all to be located on the Company's premises at the following seven (7) 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;

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(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;

(6) 36.41 acres located at Dutchess Turnpike, bearing Tax Map No. 134689-6262-04-864243-0000; and

(7) 2.75 acres located at Victory Land, bearing Tax Map No. 134689-6262-04-892195-0000; 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 Project will not result in the abandonment of a facility of the Company located elsewhere in the State of New York; and

WHEREAS, the Project will include facilities or property that are used in making "retail sales," as defined within Section 862(2)(a) of the Act, and the Agency's final approval of the provision of Financial Assistance for the Project is contingent upon the Agency's finding that the Project complies with Section 862(2)(a) of the Act; 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 "**SEQRA**"), the Agency is required to determine whether the financial assistance (as defined herein) for the Project 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 in 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 Act; and

WHEREAS, although the resolution authorizing the Financial Assistance has not yet been presented for approval by the Agency, an Amended 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 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.

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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 Amended 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 mutually acceptable terms regarding payments in lieu of taxes Agreement (the "**PILOT Payments**") under a certain Lease and Project Agreement between the Agency and the Company (the "**Lease 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) the Agency's determination that there is satisfactory security for the Company's performance and PILOT Payments under the terms of the Lease Agreement;

(e) a finding by the Agency, after review of all relevant information, that the Project complies with Section 862(2)(a) of the Act;

(e) compliance with SEQRA; and

(f) the adoption of an authorizing resolution by the Agency.

4. The form and substance of a proposed Amended 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 Amended 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. Pursuant to Section 875(3) of the Act and under the Agency policy concerning Maintaining Performance Based Incentives (the "MPBI"), the Agency may recover,

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recapture or receive from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; and/or (iv) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project in the manner approved by the Agency in connection with the Project (collectively, items (i) through (iv) hereby defined as a "**Recapture Event**"). The MPBI Policy provides for the return of other incentives as set forth therein.

6. As a condition precedent of receiving sales and use tax exemption benefits (and real property tax abatement benefits), the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Agency, cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands, if and as so required to be paid over as determined by the Agency.

7. The law firm of Nixon Peabody LLP, Rochester, New York, shall remain as appointed Transaction Counsel to the Agency in relation to the provision of Financial Assistance.

8. 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.

9. The Agency hereby approves and authorizes the following actions by the (Vice) 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 persons 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

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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.

10. 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.

11. 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"
Mark Doyle, Secretary/Treasurer	VOTING	"Aye"
Stacey M. Langenthal	VOTING	"Aye"
Alfred D. Torregianni	VOTING	"Aye"

The Resolution was thereupon declared duly adopted.

Adopted: June 6, 2018

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

I, the undersigned Secretary of the Dutchess County Industrial Development Agency, **DO HEREBY CERTIFY:**

That I have compared the annexed extract of minutes of the meeting of the Dutchess County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on June 6, 2018, 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 resolution set forth therein and of the whole of and original insofar as the same related to the subject matters herein referred to.

That the Amended Preliminary Agreement annexed hereto as Exhibit "A" is in substantially the same form presented to and approved at such meeting.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law Open Meetings Law, said meeting was open to the general public, and that public notice of the time and place of said meeting was only given in accordance with such Article 7.

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 resolution is in full force and effect and has not been amended, repealed, or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 6th day of June, 2018.

Mark Doyle, Secretary

[SEAL]

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