

**PRELIMINARY RESOLUTION  
(Hatfield Metal Fab, Inc. 2018 Project)**

A Regular meeting of the Dutchess County Industrial Development Agency was convened in public session on February 20, 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  
Angela E. Flesland  
Edward Summers

**ALSO PRESENT:** Sarah Lee, Executive Director  
Marilyn Yerks, Chief Financial Officer  
Donald Cappillino, Counsel

On motion duly made by Mark Doyle and seconded by Stacey M. Langenthal, 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 Hatfield Properties LLC and Hatfield Metal Fab, Inc. (Hatfield Metal Fab, Inc. 2018 Project) in the form of potential exemption from sales and use taxes and exemption from real estate property taxes; and (ii) appointing Hatfield Metal Fab, Inc. as agent of the Agency for the purpose of construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of facilities to be the subject of the financial assistance; and (iii) authorizing the execution and delivery of an agreement by and between the Agency and Hatfield Metal Fab, Inc. 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, renovating and equipping certain facilities as authorized by the Act; and

**WHEREAS**, Hatfield Properties LLC, a New York limited liability company with offices at 16 Hatfield Lane, Poughkeepsie, New York 12603 (the "**Company**") and Hatfield Metal

Fab, Inc., a New York corporation with offices at 16 Hatfield Lane, Poughkeepsie, New York 12603 (the “**Corporation**”), have applied to the Agency for Financial Assistance (as hereinafter defined) to finance the following project (the “**Project**”), said Project consisting of the following: (A) the construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of an approximately 30,000 square foot addition (the “**New Facility**”) to its existing building (the “**Existing Facility**”) and together with the New Facility the “**Facility**”) located on a 16.80 acre parcel located in the Town of LaGrange, County of Dutchess, State of New York, bearing Tax Map Grid No. 6261-02-805774-0000; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes and real property taxes (collectively, the “**Financial Assistance**”); and (C) the lease (with an obligation to purchase) or sale of the Facility to the Company and sublease by the Company to the Corporation; and

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

**WHEREAS**, the Agency has given due consideration to the application submitted by the Company and the Corporation, in which it is represented by the Company and the Corporation that the Financial Assistance for the Project will not result in the abandonment of a facility of the Company or the Corporation 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 “**SEQRA**”), the Agency is required to determine whether the Financial Assistance 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 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 and the Corporation to the Agency, the Agency hereby finds and determines that:

- (a) The Project constitutes a “project” within the meaning of the Act;
- (b) The Financial Assistance for the Project will not result in the abandonment of a facility of the Company or the Corporation;
- (c) The Financial Assistance for the Project deviates from the Dutchess County Uniform Tax Exemption Policy of the Agency;
- (d) 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
- (e) It is desirable and in the public interest for the Agency to assist the Company and the Corporation 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 Project; and
- (b) sublease the Project to the Company pursuant to agreements by and among the Agency, the Company and the Corporation.

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 and the Corporation of the Preliminary Agreement attached hereto as Exhibit “A” setting forth certain conditions for the provision of the Financial Assistance; and
- (b) the agreement among the Agency, the Company and the Corporation on a mutually acceptable “Payment in Lieu of Tax Agreement” (the “PILOT Agreement”);
- (c) the Agency’s determination that there is satisfactory support from the Town of LaGrange and Arlington Central School District for the Project;
- (d) the Agency’s determination that there is satisfactory security for the Company’s performance and payment under the terms of the PILOT Agreement; and

(e) compliance with SEQRA.

4. The form and substance of a proposed Preliminary Agreement (in substantially the form presented to this meeting) by and among the Agency, the Company and the Corporation setting forth the undertakings of the Agency, the Company and the Corporation 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. Provided the public hearing has been held pursuant to §859-a of Article 18-A of the General Municipal Law of the State of New York and no objection has been received by the Agency pursuant thereto, the Company and the Corporation are hereby appointed the true and lawful agent of the Agency to make, execute, acknowledge, and deliver any contracts, orders, receipts, writings, and instructions, as the designated agent for the Agency, and in general to do all things which may be requisite or proper for the construction, improvement, reconstruction, renovation, repair installation, furnishing and equipping of the Project.

6. Pursuant to Section 875(3) of the Act and under the Agency policy concerning Maintaining Performance Based Incentives (the "MPBI"), the Agency may recover, recapture or receive from the Company and the Corporation, 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 and the Corporation, 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 and the Corporation, 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 and the Corporation, 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 and the Corporation, 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 also provides for the return of other Incentives as set forth therein.

7. Counsel to the Agency is hereby authorized to work with counsel to the Company and the Corporation and others to prepare for submission to the Agency all documents necessary to effect the authorization and provision of Financial Assistance. The Company and the Corporation shall be responsible for the fees of Agency and Agency's Counsel in relation to this Project and the provision of Financial Assistance.

8. 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 Project, after consultation with counsel to the Agency: (i) to establish the time, date and place for a public hearing of the Agency to hear all person interested in the Project and the proposed Financial Assistance being contemplated by the Agency with respect to the Project, said public hearing to be held in the Town of LaGrange, 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.

9. The Executive Director of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and the Corporation 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 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”
Angela E. Flesland	being	ABSENT
Stacey M. Langenthal	VOTING	“Aye”
Edward Summers	being	ABSENT
Alfred D. Torreggiani	VOTING	“Aye”

The Resolution was thereupon declared duly adopted.

Adopted: February 20, 2018

