

Dutchess County **DCIDA** Industrial Development Agency

3 Neptune Road, Suite A21, Poughkeepsie, NY 12601
Tel. # - (845) 463-5400 / Fax # - (845) 463-0100

NOTICE AND CONFIRMATION **BOARD OF DIRECTORS REGULAR MEETING**

Wednesday, July 13, 2022
8:00 a.m.

DATE: July 8, 2022

TO: Mark Doyle, Vice Chair
Kathleen Bauer, Secretary/Treasurer
Amy Bombardieri
Jamie Piccone II
Don Sagliano
Al Torreggiani

FROM: Tim Dean, Chairman

A regular meeting of the Dutchess County Industrial Development Agency [DCIDA] has been scheduled for **Wednesday, July 13, 2022 at 8:00 a.m.** via zoom or in-person at 3 Neptune Road, Suite A21, Poughkeepsie, NY 12601.

In compliance with NYS Senate Bill S88, signed into law on August 27, 2019 and effective as of January 2020, this meeting will be recorded.

PLEASE TAKE NOTICE that the Dutchess County Industrial Development Agency (the "Agency") Board Meeting scheduled for July 13, 2022 can also be viewed electronically via conference call by the public. Members of the public may listen to the Board meeting by logging into the Zoom Platform at <https://us06web.zoom.us/j/82777336452> or calling 1-929-436-2866 Meeting ID: 827 7733 6452. The meeting will be recorded and will be posted to the Agency's website.

The purpose of the meeting is to consider the following:

1. Conflict of Interest Disclosures
2. Proof of Meeting Notice
3. Bills and Communications
4. Approval of Minutes
June 8, 2022
5. Report of the Treasurer
 - A. Financial Report
6. Reports of Committees
7. Unfinished Business
8. New Business
 - A. For Consideration and Approval of a Preliminary Resolution for CANAM Hudson Valley Logistics Owner LLC (Town of East Fishkill) to induce a Project providing for a Mortgage Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately \$79,500,000 project for construction and re-development at 500 South Drive, Hopewell Junction to construct a new warehouse/distribution center of approximately 530,000sq feet.
 - B. For Consideration and Approval of a Preliminary Resolution for Champlain Hudson Power Express (Dutchess County) to induce a Project providing for a Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately \$167,000,000 project for construction and installation of a underwater 1,250 megawatt high-voltage direct current electric transmission line approximately 31 miles in length along the Dutchess County side of the Hudson River
 - C. Dutchess County Planning Housing Needs Assessment Report Presentation
 - D. Dutchess Tourism first and second quarter performance outcomes
 - E. Dutchess County Local Development second quarter outcomes
 - F. Open Meeting Policy Discussion

Information Copy

Marcus J. Molinaro, DC Executive
A. Gregg Pulver, Chairman, DC Legislators
Ronald Hicks, Dutchess County

Sarah Lee, Executive Director
Jane Denbaum, CFO
Donald Cappillino, Counsel
Elizabeth Cappillino, Counsel

B. Hunter, WEOK/WPDH
H. Gross, Mid-Hudson News

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BOARD OF DIRECTORS REGULAR MEETING

Wednesday, June 8, 2022

Present: Tim Dean, Chairman
Mark Doyle, Vice Chairman
Kathleen Bauer, Secretary/Treasurer
Amy Bombardieri
Jamie Piccone II
Don Sagliano
Al Torreggiani

Also Present: Sarah Lee, Executive Director
Jane Denbaum, CFO
Jasmin Haylett, Office Administrator
Don Cappillino & Elizabeth Cappillino (Counsel)
John Hettinger, Kristen Lackaye & Dr. Elvita Dominique (MHTC & 3 Eastdale Ave)
Doreen Tignanelli & Jim Beretta (Members from the public)

On Wednesday, June 8, 2022, the Dutchess County Industrial Development Agency [DCIDA] Board of Directors regular meeting was called to order by Chairman Dean at 8:05 a.m. Present was: Tim Dean, Mark Doyle, Kathleen Bauer, Amy Bombardieri, Jamie Piccone II, Don Sagliano and Al Torreggiani. Quorum was established.

CONFLICT OF INTEREST DISCLOSURES

Chairman Dean asked board members if they had any potential conflicts with any items on the agenda. Ms. Bombardieri and Ms. Bauer noted they have a conflict with the Arthur May project. Ms. Bombardieri has a conflict because it could be a potential client for her office and Ms. Bauer has a conflict because of business affiliation with applicants of the project.

PROOF OF MEETING NOTICE

Meeting notice was published on June 2, 2022.

BILLS AND COMMUNICATIONS

None

APPROVAL OF MINUTES

May 24, 2022

Chairman Dean asked for a motion to approve the May 24, 2022 minutes of the Dutchess County Industrial Development Agency.

A motion was made by Mr. Doyle, duly seconded by Mr. Sagliano to approve the DCIDA Board of Directors meeting minutes for May 24, 2022. Roll call vote was taken. All voted in favor and the motion was carried.

REPORT OF THE TREASURER

A. Financial Report

Ms. Denbaum proceeded to report on the May 31, 2022 Balance Sheet and Profit & Loss Budget

- Current cash balance is \$2,829,989.38
- The P&L has a total YTD revenue of \$1,515,777 million including PILOT payments

REPORTS OF COMMITTEES

None

UNFINISHED BUSINESS

None

NEW BUSINESS

- A. For Consideration and Approval of a Final Resolution for MHTC Development, LLC and 3 Eastdale Avenue, LLC (Town of Poughkeepsie) for an amendment to the Master Agreement and the allocation of a portion of the Mortgage Tax Exemption and Sales Tax Exemption previously granted to MHTC Development, LLC to 3 Eastdale Avenue, LLC for the next phase of the Project and providing the PILOT Schedule for that phase.

Ms. Lee noted the following:

- The public hearing was held on Wednesday, June 1st. Transcript of the Hearing including the written comments from the public received and were distributed to the board.
- Previously approved benefits approved for MHTC to be re-allocated to 3 Eastdale Avenue LLC to construct a mixed use building with 1st floor to house a medi-spa with 3 residential units above
- The project is estimated to cost approx. \$1.7 million with an estimated completion date of May 2023
- Benefits amounts are \$9,619 in mortgage tax exemptions and \$37,000 sales tax exemptions and a PILOT
- 2 FTEs to be allocated/created

Dr. Dominique, who will be occupying the space along with Ms. Lackaye, proceeded to say a few words and expressed her appreciation to the board.

Mr. Hettlinger also expressed his appreciation to the board and gave a brief overview of where 3 Eastdale is located and the progress that has been made to date.

Questions, responses and comments ensued.

A motion was made by Mr. Torreggiani, duly seconded by Mr. Piccone to approve the Final Resolution for MHTC Development, LLC and 3 Eastdale Avenue, LLC (Town of Poughkeepsie) for an amendment to the Master Agreement and the allocation of a portion of the Mortgage Tax Exemption and Sales Tax Exemption previously granted to MHTC Development, LLC to 3 Eastdale Avenue, LLC for the next phase of the Project and providing the PILOT Schedule for that phase. Roll call vote was taken. All voted in favor and the motion was passed.

- B. Consideration and Approval of a Resolution Authorizing the Executive Director of the IDA to enter into an Agreement with Loewke Brill Consulting Group, Inc. for Professional Services to monitor the Local Labor Policy for Arthur May Redevelopment LLC.

Ms. Bombardieri and Ms. Bauer logged off during this discussion due to conflicts noted above.

Ms. Lee noted the following:

- Due to the increased number of IDA projects under construction it is no longer feasible for our office to monitor these projects internally and are seeking the assistance of an outside organization. Loewke Brill (<http://www.loewkebrill.com/>) is a NYS company with a location in Orange County and monitors many other IDA local labor policies. Our current Fee Schedule Policy allows fees related to the monitoring of the local labor will be paid by the project applicant so there will be no impact on the IDA's budget. Arthur May Redevelopment is aware of the fees.

Questions, responses and comments ensued.

A motion was made by Mr. Piccone, duly seconded by Mr. Doyle to approve the Resolution Authorizing the Executive Director of the IDA to enter into an Agreement with Loewke Brill Consulting Group, Inc. for Professional Services to monitor the Local Labor Policy for Arthur May Redevelopment LLC.

- C. Ms. Lee made the following announcements
- Think Dutchess had been awarded a \$10,000 grant to provide technical assistance to small businesses. The grant to produce a series of webinars on financial well-being for small businesses and start-ups.
 - Ms. Lee will be attending the June 13, 2022 Dutchess County legislature board meeting to accept a commendation for the recent recognition as the New York State Economic Development Council Economic Developer of the Year.

ADJOURNMENT

There being no further business to discuss on the agenda, the meeting was adjourned by Chairman Dean at 8:40 a.m.

Respectfully submitted,

Kathleen M. Bauer, Secretary/Treasurer

Date

Meeting 06-08-2022
Approved _____
Certified _____

Dutchess County Industrial Development Agency
Balance Sheet
 As of June 30, 2022

	Jun 30, 22
ASSETS	
Current Assets	
Checking/Savings	
1010 · Cash	
1152 · Money Market TD Bank	4,171,984.60
1155 · CD1- Salisbury	120.17
1156 · CD2 - Salisbury	1,790,087.87
Total 1010 · Cash	5,962,192.64
Total Checking/Savings	5,962,192.64
Accounts Receivable	
11000 · Accounts Receivable	2,006.00
Total Accounts Receivable	2,006.00
Total Current Assets	5,964,198.64
Fixed Assets	
1390 · Furniture & Equipment	
1680 · Furniture & Equipment	3,115.81
1710 · Accumulated Depreciation	-3,115.81
Total 1390 · Furniture & Equipment	0.00
Total Fixed Assets	0.00
Other Assets	
1175 · Other Assets	
1310 · Prepaid Expense	851.98
Total 1175 · Other Assets	851.98
1600 · Escrow Deposits	
1601 · Cricket Valley Escrow Deposit	1,738,992.39
Total 1600 · Escrow Deposits	1,738,992.39
Total Other Assets	1,739,844.37
TOTAL ASSETS	7,704,043.01
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · *Accounts Payable	3,473,785.00
Total Accounts Payable	3,473,785.00
Total Current Liabilities	3,473,785.00
Long Term Liabilities	
2300 · Escrow Deposit Liability	
2301 · Cricket Valley Escrow Deposit	1,738,992.39
Total 2300 · Escrow Deposit Liability	1,738,992.39
Total Long Term Liabilities	1,738,992.39
Total Liabilities	5,212,777.39
Equity	
2490 · Fund Balance	
3200 · Fund Balance IDA	-25,000.00
Total 2490 · Fund Balance	-25,000.00
30000 · Opening Balance Equity	1,447,427.47
32000 · Unrestricted Net Assets	1,463,844.34

Dutchess County Industrial Development Agency
Balance Sheet
As of June 30, 2022

	<u>Jun 30, 22</u>
Net Income	<u>-395,006.19</u>
Total Equity	<u>2,491,265.62</u>
TOTAL LIABILITIES & EQUITY	<u>7,704,043.01</u>

Dutchess County Industrial Development Agency Profit & Loss Budget vs. Actual January through June 2022

	Jan - Jun 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Cash Revenues				
4020 · Administrative Fees	170,995.17	375,000.00	-204,004.83	45.6%
4030 · Application Fees	0.00	3,000.00	-3,000.00	0.0%
4035 · Compliance Fees	16,034.00	7,515.00	8,519.00	213.4%
4150 · PILOT Payments	4,908,672.04			
4910 · Interest	3,224.08	6,000.00	-2,775.92	53.7%
Total 4000 · Cash Revenues	5,098,925.29	391,515.00	4,707,410.29	1,302.4%
Total Income	5,098,925.29	391,515.00	4,707,410.29	1,302.4%
Expense				
6000 · Expenditures				
6240 · Audit	0.00	13,900.00	-13,900.00	0.0%
6260 · Dues, Publications, Subs	2,499.25	5,000.00	-2,500.75	50.0%
6280 · Insurance	2,065.05	3,750.00	-1,684.95	55.1%
6350 · Misc	2,768.00	3,000.00	-232.00	92.3%
6450 · PILOT Payments	4,908,672.04			
6500 · Professional Service Contracts	575,000.00	600,000.00	-25,000.00	95.8%
6510 · Professional Services	1,000.00	20,000.00	-19,000.00	5.0%
6520 · Rent	1,049.52	1,000.00	49.52	105.0%
6530 · Supplies	0.00	1,000.00	-1,000.00	0.0%
6550 · Travel & Meetings	877.62	2,500.00	-1,622.38	35.1%
Total 6000 · Expenditures	5,493,931.48	650,150.00	4,843,781.48	845.0%
Total Expense	5,493,931.48	650,150.00	4,843,781.48	845.0%
Net Ordinary Income	-395,006.19	-258,635.00	-136,371.19	152.7%
Net Income	-395,006.19	-258,635.00	-136,371.19	152.7%

**PRELIMINARY RESOLUTION
(CANAM Hudson Valley Logistics Owner, LLC 2022 Project)**

A regular meeting of the Dutchess County Industrial Development Agency was convened in public session on July 13, 2022 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, 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

On motion duly made by [] and seconded by [], 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 CANAM Hudson Valley Logistics Owner, LLC (CANAM Hudson Valley Logistics, Owner LLC 2022 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 CANAM Hudson Valley Logistics Owner, 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, renovating and equipping certain facilities as authorized by the Act; and

WHEREAS, 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**”), has submitted an application to the Agency requesting the Agency provide certain

“financial assistance” (within the meaning of the Act) with respect to the Facility (hereinafter defined), including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “**Financial Assistance**”) for the following project (the “**Project**”) in 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 530,000 square foot, one-story distribution facility, and approximately 128 loading docks, approximately 334 car parking spaces, approximately 250 banked car parking spaces and approximately 140 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 to be used as part of the Facility; and

WHEREAS, the Project includes the following, as they relate to the acquisition, 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 Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with acquisition, construction, improvement, reconstruction, repair, and renovation of the Facility; and (ii) purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with acquisition, construction, improvement, reconstruction, repair and renovation of the Facility and installation of the equipment; 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 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 a hearing pursuant to §859-a of the Act (the “**Hearing**”); 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 for the Project:

- (a) the Project constitutes a “project” within the meaning of the Act;
- (b) The Financial Assistance will not result in the abandonment of a facility of the Company located elsewhere in the State of New York;
- (c) 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
- (d) The proposed Financial Assistance deviates from the Agency’s Uniform Tax Exemption and Criteria Policy.
- (e) 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;
- (b) sublease the Facility to the Company pursuant to agreements 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) compliance with SEQRA;
- (c) the agreement between the Agency and the Company on mutually acceptable terms regarding payments in lieu of taxes;

- (d) the Agency's determination that there is satisfactory support from the Town of East Fishkill and Wappingers Central School District for the Project;
- (e) the holding of a Hearing pursuant to §859-a of the Act; and
- (f) the adoption of an authorizing resolution approving the Financial Assistance.

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. Pursuant to §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, 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 (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, 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, is hereby appointed Transaction Counsel to the Agency in relation to the provisions of Financial Assistance.

8. Counsel to the Agency and Transaction Counsel 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 Project and the provision of Financial Assistance.

9. 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 Agency Counsel: (i) to establish the time, date and place for a public hearing of the Agency to hear all persons 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 East Fishkill, 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 Act, 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.

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 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 put to vote on roll call, which resulted as follows:

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

The Resolution was thereupon declared duly adopted.

Adopted: July 13, 2022

PRELIMINARY AGREEMENT
(CANAM Hudson Valley Logistics Owner, LLC 2022 Project)

THIS PRELIMINARY AGREEMENT (the “**Preliminary Agreement**”), made as of July 13, 2022 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 **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**”).

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, renovating and equipping certain facilities as authorized by the Act; and

WHEREAS, the Company has submitted an application to the Agency requesting the Agency provide certain “financial assistance” (within the meaning of the Act) with respect to the Facility (hereinafter defined), including potential exemptions from certain sales and use taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “**Financial Assistance**”) for the following project (the “**Project**”) in connection with the 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 530,000 square foot, one-story distribution facility, and approximately 128 loading docks, approximately 334 car parking spaces, approximately 250 banked car parking spaces and approximately 140 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 to be used as part of the Facility; and

WHEREAS, the Project includes the following, as they relate to the acquisition, 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 Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with acquisition, construction, improvement, reconstruction, repair, and renovation of the Facility; and (ii) purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with acquisition, construction, improvement, reconstruction, repair and renovation of the Facility and installation of the equipment; and

WHEREAS, the Agency has determined that the financing of the Project will promote and further the purposes of the Act; and

WHEREAS, on July 13, 2022, the Agency adopted a Preliminary Resolution (the “**Preliminary Resolution**”) accepting the Project and authorizing 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) construction, installation, furnishing and equipping of the Facility and the financing of such costs; and (ii) the 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 acquire a leasehold interest in the Facility and 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) Reserved.

(d) 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 financing of the Project will contribute to increased employment opportunities in Dutchess County, New York; and

(c) The Project will comply with all applicable federal, state, and local laws, ordinance, rules, and regulations and the Company shall obtain 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.

(b) (i) To the extent the Agency is not defended and indemnified under a policy of insurance maintained by the Company, 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 or alleged 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, any mechanic's or other liens against the Facility for labor for the construction, renovation, 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, 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 Project, 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) Reserved.

(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; and (ii) approval of the members of the Agency.

(c) The Company agrees that they 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 Project to be published, the cost of making and transcribing records of said hearings and the reasonable fees and expenses charged and incurred by Agency Counsel (Cappillino, Rothschild & Egan LLP) and Transaction Counsel (Nixon Peabody LLP) 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 shall have been executed no later than fifteen (15) months from the date hereof (or such other date as shall be mutually satisfactory to the Agency and the Company).

[Remainder of Page Intentionally Left Blank. Signature Page Follows].

IN WITNESS WHEREOF, the parties hereto have entered into this Preliminary Agreement as of the 13th day of July, 2022.

DUTCHESS COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Sarah Lee, Executive Director

CANAM HUDSON VALLEY LOGISTICS
OWNER, LLC

By: _____
[John DiCola, Authorized Representative]

DRAFT



Ladies and Gentlemen:

Enclosed please find the application of the Dutchess County Industrial Development DCIDA (the "DCIDA"). Please be advised that there is a \$1,000.00 application fee to be paid by the client and to be enclosed with the completed application in order to enable the DCIDA to proceed with the benefit package.

You will receive an Engagement Letter which constitutes an explanation of legal fees and costs related to our counsels' work with respect to your project. This Engagement Letter will require an escrow account of \$5,000.00 and our counsel will invoice you monthly on an hourly rate basis for services rendered and deduct it from the escrow account. Should you terminate the agreement or abandon the project, any unused funds will be returned to you. If you have any questions concerning this matter, please contact me.

I advise you that the DCIDA itself does not lend money. Instead, the DCIDA issues bonds for the benefit of the project applicant. The project applicant must find a purchaser of the bonds and agree as to terms and conditions of repayment, interest rate, interim advances during construction, what securities are to be pledged, etc., just as the project applicant and a lender would in any other secured transaction. On filing an application, the project applicant should be fairly secure in knowing where to obtain the requisite moneys.

No work should be commenced or construction contracts entered into or materials ordered or land purchased if any of these expenses are to be included in the bond issue prior to the DCIDA passing an Inducement Resolution and Agreement with the project applicant after an application is filed. To do so may jeopardize the inclusion of the expense of such item in the bond issue.

In completing the application, please note certain material is requested that is required by statute in order to authorize the issuance of the bonds, to wit: the increased employment and your history as to location and why you are expanding or locating in Dutchess County. The bonds are issued as an inducement in industrial, commercial and warehousing facilities that presently do not exist in Dutchess County, or, if they exist, there is an expansion program contemplated. The bond proceeds cannot be used in any way for refinancing existing mortgages.

Prior to the issuance of IDA benefits (PILOT and/or bonds), the project applicant is required to make an agreement in lieu of taxes with all local taxing authorities and furnish the DCIDA with a certified copy of all of the agreements in lieu of taxes. An issue will not close without this document in place. The processing fees of the DCIDA is one percent (1%) of the first \$25 million of the estimated project cost and one-quarter of one percent (.25%) for the estimated project in excess of \$25 million. Processing fees for industrial and manufacturing projects are one percent

(1%) of the first \$2.5 million of the estimated project cost and one-quarter of one percent (.25%) for the estimated project in excess of \$2.5 million.

The project applicant additionally will be required to pay DCIDA Counsel fees, Bond Counsel fees and other direct expenses of the DC IDA, including, but not limited to, local workforce compliance monitoring fees, special reports and accounting and engineering expenses. The project applicant agrees that such legal fees and other direct expenses of the DC IDA such as publication costs and stenographer's fees are payable separately from the application and processing fees. The above fees will be payable in full on the sale of the bonds. Failure and neglect to proceed to close will result in pro rata tender of billings.

Upon receiving the application in my office, I will convene a meeting of the DCIDA to meet with the principals personally to discuss the application, as now required by DCIDA policy.

Please note that the DCIDA is under no obligation to act favorably on this application, and the project applicant agrees to release the DCIDA, its members, its staff, its successors and assigns from any claim against the DCIDA that may arise from the DCIDA's processing the application or by the DCIDA's either granting or denying the application.

Because the DCIDA is an exempt organization under the Internal Revenue Code of 1986, as amended, I advise you further that certain benefits will accrue during construction, such as the nonpayment of sales taxes on goods purchased for either initial construction or start-up equipment. Furthermore, upon the filing of documents, no mortgage tax will be necessary between the DCIDA and a trustee or bank collecting the moneys during the financing for the repayment of bonds. In accordance with New York State regulations, you are advised that we are obligated to include a "Recapture of Benefit Provision" in our application which details DCIDA procedure to be utilized to recapture benefits given to projects in certain instances.

If I can be of further assistance, please feel free to contact our office.

Very truly yours,

Sarah Lee
Executive Director

Enclosures

PLEASE TAKE NOTICE — The DC IDA in certain respects is subject to the Freedom of Information Law or Sunshine Laws of the State of New York. If there are any confidential matters or negotiations for real property taking place that would be adversely affected by revelation of the particulars to the public or media, it is suggested that this matter be discussed with the DCIDA Counsel or personnel directly and not set forth in the initial application unless required by Bond Counsel for the preparation of the Inducement Resolution. Any financial disclosures of the

project applicant requested should be marked confidential to ensure their attention as confidential documents. Although the DCIDA does not pass on the project applicant's financial ability to pay, which is the bond purchaser's prerogative, the DCIDA does want to know that the project applicant is a viable business enterprise.



*To help companies locate here, make needed capital expansion
or grow existing and new jobs.*

3 Neptune Road
Poughkeepsie, NY 12601
Phone: 845.463.5400 Fax: 845.463.0100
Email: info@thinkdutchess.com
www.thinkdutchess.com

APPLICATION FOR FINANCIAL ASSISTANCE



***DCIDA Board and Staff
OFFICERS***

Chairman

Timothy E. Dean

Vice Chairman

Mark Doyle

Secretary/Treasurer

Kathleen M. Bauer

Executive Director

Sarah Lee

Chief Financial Officer

Jane Denbaum

**Compliance Officer/
Records Access Officer**

Jane Denbaum

BOARD OF DIRECTORS

Amy Bombardieri
Kathleen M. Bauer
Timothy E. Dean
Mark Doyle
Ronald J. Piccone II
Don Sagliano
Alfred D. Torreggiani

Counsel

Donald Cappillino
Elizabeth Cappillino

COUNTY GOVERNMENT

County Executive

Marcus J. Molinaro

Dutchess County Office Building 22 Market
Street, Sixth Floor

Poughkeepsie, NY 12601

Tel.# (845) 486-2000(B)

Fax # (845) 486-2021

Email: mmolinaro@dutchessny.gov

This e-mail address is being protected from
spambots.

Dutchess County Legislature

A. Gregg Pulver, Chairman

Dutchess County Office Building 22 Market
Street, Sixth Floor

Poughkeepsie, NY 12601

Tel # (914) 474-0908 (B)

Fax # (845) 486-2113

Email: gpulver@dutchessny.gov

MISSION STATEMENT

The Dutchess County Industrial Development Agency [DCIDA] was created to further economic development in Dutchess County by providing financial assistance to private entities through tax incentives including the issuance of bonds to facilitate the building of capital projects with the resultant construction jobs and permanent follow on employment.

INSTRUCTIONS

I. Application Submission and Application Fees

All applications will be subject to approval of the Dutchess County Industrial Development DCIDA ("DCIDA") and no financial Assistance can be provided, including a sales tax exemption on purchases made prior to DCIDA approval, until the application has been approved.

The DCIDA will not approve any applications unless, in the judgment of the DCIDA, the application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action. The DCIDA may find it necessary to request additional information, should additional information be required the DCIDA will not consider the application complete until all additional information is received.

The DCIDA will not give final approval to this application until the DCIDA receives a completed environmental assessment form concerning the Project.

All projects receiving a benefit greater than \$100,000 are required to have a public hearing inclusive of a 10 day notice before any approval can be granted by the DCIDA.

The DCIDA has established an application fee of \$1,000.00 to cover the anticipated costs of processing the application. A check or money order made payable to the Dutchess County Industrial Development DCIDA (DC IDA) must accompany each application. The Application WILL NOT be accepted by the DCIDA unless accompanied by the application fee.

When completed, return the application to the *Dutchess County IDA, 3 Neptune Road, Poughkeepsie, NY 12601*.

The applicant will be required to pay to the DCIDA the actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the DCIDA's bond issued to finance the project). The Applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the DCIDA. The costs incurred may be considered as part of the bond issue.

The DCIDA has established an administrative fee for each project it engages. Unless the DCIDA agrees in writing to the contrary, the project fee is required to be paid by the applicant at or prior to the granting of any financial assistance by the DCIDA

II. Application Components and Exhibits

The sections below are included in the Application. These make up the required information and documents that must be completed and submitted to the DCIDA in order for your Application to be considered. Failure to provide information may impact your project being considered in a timely manner.

Fill in all blanks, using “none” or “not applicable” or “N/A” where the question is not appropriate to the project which is the subject of this application (the “Project”)

If an estimate is given as an answer to a question, put “est.” after the figure or answer, which is estimated.

If more space is needed to answer any question, please attach a separate sheet.

General Information

Section 1- Applicant Information

Section 2 – Project Description and Details

Section 3 – Project Evaluation & Assistance Framework

Section 4 – Retail Determination

Section 5 – Inter-Municipal Move Determination

Section 6 – Single or Multi-Tenant Determination

Section 7 – Representations, Certifications and Indemnification Forms

Section 8 – Local Workforce Certification Form

Attachment 1 – Environmental Assessment Form (EAF)– An Environmental Assessment must be completed for every project. The Short Environmental Assessment Form is available on the DCIDA Website at <https://thinkdutchess.com/ida/application/>. However in some instances a Long Form EAF may need to be completed.

Attachment 2 - DCIDA Standard Fee Schedule and other Fees

Attachment 3 – Additional Community Benefit Metrics Definition

III. Insurance

Once a project is approved by the DCIDA, insurance will be required. Details of the required insurance will be provided in the DCIDA contracts, in the meantime please note that insurance is to be provided after Board approval but prior to utilization of your IDA benefits. Insurance shall be maintained during the term of any applicable Agent Agreement or Lease Agreement by and between the DCIDA and Project Applicant. Proof of Insurance will be required and requested on an annual basis.

IV. Local Workforce Policy

Construction jobs though limited in time duration, are vital to the overall employment opportunities in Dutchess County.

For projects \$10,000,000 and above, the DCIDA believes that Project Applicants, as a condition to receiving a real property tax abatement also referred to as a Payment in Lieu of Taxes (PILOT) from the Agency, will be required to utilize qualified Workforce for all projects involving the construction, expansion, equipping, demolition and/or remediation of new, existing, expanded or renovated facilities (collectively, the "Project Site").

The Local Area is defined as individuals residing in the following County /Cities /Towns /Villages as well as the following Counties (collectively, the "Local Area"): Columbia County, Dutchess County, Greene County, Orange County, Putnam County, Rockland County, Sullivan County, Ulster County and Westchester County. Companies receiving a PILOT as part of their financial assistance shall ensure that at least 80% of total work hours of the general contractor, subcontractor, or subcontractor to a subcontractor (collectively the "Workers") working on the Project Site must reside within the Local Area. The 80% shall be measured by hours in total at the time of completion of the project. Companies do not have to be local companies as defined herein, but must employ local Workers residing within the Local Area to qualify under the 80% local Workforce criteria.

It is understood that at certain times, Workers residing within the Local Area may not be available with respect to a Project. Under this condition, the Company is required to contact the DCIDA to request a waiver of the Local Utilization Requirement (the "Local Workforce Utilization Waiver Request") waivers may be granted in the following situations (a) Warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers (b) Specialized construction for which qualified Local Workforce Area workers are not available (c) Significant cost differentials in bid prices whereby the use of local Workforce significantly increases the cost of the project. A cost differential of 10% is deemed significant. Every effort should be made by the contractor or applicant to get below the 10% cost differential including, but not limited to, meeting with local construction trade organizations and local contractor associations (d) Documented lack of workers meeting the Local Workforce Area

requirement. The DCIDA shall evaluate the Local Workforce Utilization Waiver Request and make its determination related thereto based upon the supporting documentation received with such waiver request.

V. Recapture of Financial Assistance

In order to better ensure the integrity of the projects that receive Financial Assistance from the DCIDA, has determined that is in the public interest: (a) to ensure the continuity of such project and the jobs created by such projects; (b) ensure the use of local workforce during project construction, expansion, equipping, demolition and/or remediation of new, existing, expanded or renovated facilities (c) to ensure that the investment amount as proposed by the Applicant and approved by the DCIDA is made (d) to ensure that the state and local taxes and use tax exemption benefits are utilized in the amount as so authorized by the DCIDA (e) to ensure the state and local sales and use tax exemptions benefits are only utilized by the company/applicant and its duly appointed agents; (f) to ensure that the state and local sales and use tax are only utilized on the specific project as described in the Application and (g) to ensure that the Company complies with the certain material terms and conditions as determined by the DCIDA. At such time as the Applicant fails to meet the terms of the Agreement including failing to retain and create jobs as represented in the Application a recapture of any or all state and local sales and use tax exemption benefits, mortgage recording tax exemption benefits and real property abatement benefits may be required to be paid by the Applicant.

Details on the DCIDA Policies can be found on the DCIDA Website

[\(https://thinkdutchess.com/ida/dcida-public-documents-and-policies/\)](https://thinkdutchess.com/ida/dcida-public-documents-and-policies/)

- Maintaining Performance Based incentives for projects granted assistance including a PILOT
- Projects granted assistance without a PILOT.

VI. Submission and Acceptance of the Application for Financial Assistance

Please note that the DCIDA is under no obligation to act favorably on this application, and the project applicant agrees to release the DCIDA, its members, its staff, its successors and assigns from any claim against the DCIDA that may arise from the DCIDA's processing the application or by the DCIDA's either granting or denying the application.

Please note that Article 6 of the Public Officers Law declares that all records in the possession of the DCIDA (with certain limited exceptions) are open to public inspection and copying. Also, as of December 2018, the IDA will post project applications on the Agency's

website. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of Public Officers Law.

General Information

I. Project Identification

Company Name CANAM Hudson Valley Logistics Owner, LLC	FEIN 88-2563922
Address 9830 Colonnade Blvd, Suite 600	Name and Title of Contact Person Luke Stephens, Analyst
City County Zip San Antonio, Bexar County, 78230	Telephone Number (210) 241-3319
Website www.usrealco.com	Email luke.stephens@usrealco.com

Full Address of the site/location of the proposed project, including County and Zip Code
500 South Drive, Hopewell Junction, Dutchess County, NY 12533

II Project Request

Please check which type of assistance you are applying for (select all that apply):

Bond Issuance (Tax Exempt / Taxable)		
Straight Lease		
Payment in Lieu of Taxes	X	
Sales Tax Exemptions	X	
Mortgage Tax Exemption	X	

III. Authorizing Signature

The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the DCIDA will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption

claimed by reason of the DCIDA's involvement in the Project.

Signature	<u>SEE FOLLOWING PAGE</u>
Print Name	_____
Title	_____
Date	_____

CANAM HUDSON VALLEY LOGISTICS OWNER, LLC, a
Delaware limited liability company

DocuSigned by:

By: _____
Name: John DiCola
Title: Authorized Representative
Date: 6/23/2022

Section 1: Applicant Information

Applicant Background (company receiving benefit)

Please answer all questions. Use "None" or "Not Applicable" or "N/A" where necessary

A. Company Contact (if different from individual completing application)

Name: Luke Stephens
 Title: Analyst
 Address: 9830 Colonnade Blvd, Suite 600, San Antonio, TX 78230
 Phone: (210) 241-3319 Fax: N/A
 Email: luke.stephens@usrealco.com

B. Company Counsel:

Name of Attorney: Robert Ryan
 Firm Name: Harris Beach PLLC
 Address: 677 Broadway, Suite 1101, Albany, NY 12207
 Phone: (518) 701-2715 Fax: (518) 427-0235
 Email: rryan@harrisbeach.com

C. Form of Business Organization:

For-profit corporation Not-for-profit corporation
 General partnership Limited partnership
 Limited liability company Sole proprietorship

If you are a corporation or limited liability company, please provide date and state of incorporation:

Delaware. May 19, 2022.

If a foreign corporation or foreign limited liability company, please provide date authorized to do business in New York:

May 20, 2022.

D. Please list Principal Owners/Officers/Directors

(Principal owners that hold more than 15% equity ownership:

CANAM Hudson Valley Logistics Owner, LLC is a Special Purpose Entity (“SPE”) created specifically for this project. The SPE is comprised of two member entities: 1) “CANAM Hudson Valley Logistics Investor, LLC” (an affiliate of US RE Company, LLC (“USAA”) and owns 96.5% of SPE) and 2) “BPG East Fishkill LLC” (an affiliate of Bluewater Property Group (“Bluewater”) and owns 3.5% of SPE). Bluewater Management Group (an affiliate of Bluewater) is the developer for the venture.

If Applicant has a significant relationship with an affiliate company(ies), please list the name and address of such affiliate(s):

N/A

E. Holding Company

Will a Real Estate Holding Company be utilized to own the Project property/facility?

Yes No

What is the name of the Real Estate Holding Company: See above.

Federal Employer ID Number: _____

State and Year of Incorporation/Organization: _____

List of stockholders, members, or partners of Applicant: _____

Describe the terms and conditions of the lease between the applicant and the owner of the property:

Project is being constructed on a speculative basis. Specific lease / tenant characteristics are not yet known.

F. Applicant Business Description: Brief description of company, operations, products and services

Description is critical in determining eligibility. Attach additional pages if needed:

Applicant would develop and own the facility proposed at the site. Project is being constructed on a speculative basis. Specific lease / tenant characteristics are not yet known. The ability to construct the proposed facility and attract a viable tenant is contingent on DCIDA award. The Applicant intends to lease the facility on a long-term triple net basis to an occupant with all DCIDA benefits passing directly to said occupant via the lease structure.

G. Brief Description of Company History (formation, growth, transitions, location):

Applicant is CANAM Hudson Valley Logistics Owner, LLC, which is an SPE created

specifically for this project. USAA is the primary investor in this SPE. Bluewater is a secondary investor and the development partner for this project.

USAA is in the business of acquiring, developing, financing and managing quality real estate investments across all property sectors. USAA provides equity to complement third party debt, and its services include the full range needed to assist Developers in designing, developing, and constructing a project.

Bluewater is a principal development organization formed by a multi-disciplined team of career real estate investment practitioners with a dedicated focus on the US logistics sector. Bluewater principals have extensive experience leading public, private and entrepreneurial entities focused on the domestic industrial sector and have, as part of a larger team of professionals, successfully developed, acquired, and managed in excess of \$10 billion of value and 150 million square feet of industrial assets over the past 20 years.

Estimated % of sales within County	<u>N/A</u>
Estimated % of sales outside County but within New York State	<u>N/A</u>
Estimated % of sales outside NYS but within U.S.	<u>N/A</u>
Estimated % of sales outside the US	<u>N/A</u>
Total Sales	<u>N/A</u>

H. Is or was the Company assisted by DCIDA?

Yes No

I. Has the company received any state or federal subsidies or program assistance in the last 10 years?

Yes No

If yes, please list subsidies, program assistance or grants

J. Have you contacted or been contacted by other Economic Development Agencies for this project? If yes, please identify which agencies and what other assistance or assistance sought and the dollar amount that is anticipated to receive. Yes No

If yes, please list:

K. If the company is a party to any significant pending or recently concluded litigation (including bankruptcy), please describe:

N/A

- L.** Is Company in compliance with local, state and federal taxes, workers' protection, and environmental laws?

Yes.

- M.** Please attach a copy of most recent company annual audit.

N/A – SPE recently formed.

- N.** Please attach sales and income projections or a project pro forma for next 3 to 5 years.

N/A – SPE recently formed.

Section 2: Project Description & Details

A. Industry

Please check off the Project's Industry Sector:

- | | |
|---|---|
| <input type="checkbox"/> Natural Resources / Mining | <input type="checkbox"/> Information Technology |
| <input type="checkbox"/> Construction | <input type="checkbox"/> Financial Services |
| <input type="checkbox"/> Utilities | <input type="checkbox"/> Professional / Business Services |
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Education or Healthcare Services |
| <input type="checkbox"/> Wholesale / Retail | <input type="checkbox"/> Leisure and Hospitality |
| <input checked="" type="checkbox"/> Transportation /Warehousing | <input type="checkbox"/> Government |
| <input type="checkbox"/> Other (Please write): _____ | |

North American Industrial Classifications Number (NAICS) 454110

B. Project Location

Project Address 500 South Drive, Hopewell Junction, Dutchess County, NY
12533

Section Block Lot (SBL) Number for Property
which proposed Project will be located:

Primary Parcel:

Section: 6356

Block: 04

Lot: 587105

Secondary Parcel subject to perpetual
easement:

Section: 6356

Block: 04

Lot: 606028

Property Tax Jurisdiction:

Municipal: Town of East Fishkill
School District: Wappingers Central School District

Are the Real Property Taxes current? Yes No

If no, please explain _____

Utilities: Indicate which, if any, utilities are on site

Water Electric

Gas Sanitary/Storm Water

Does the Applicant or any related entity hold fee title to the Project Site? Yes No

If no, Present legal owner of site: _____

Does the Applicant or related entity have an option /contract to purchase the Project site? – N/A Yes No

Describe the present use of the proposed Project Site

Site was part of the former IBM West Campus and a previous attempt to develop the property as a privately owned athletic “Sportsdome” facility stalled in 2018. The property has remained fallow with partially constructed foundations on site since that time.

The facility consists of a building/space which will be (check as applicable)

Acquired Constructed
 Renovated Expanded

In the space below briefly describe the proposed project and its purpose (new build, renovations, and equipment purchases). Identify specific uses occurring with the project. Describe any and all tenants and any/all end users. (*Attach detailed information if necessary*).

Proposed new warehouse/distribution center building of approximately 530,000 SF.

Describe why the DCIDA’s financial assistance is necessary and if the applicant is unable to obtain DCIDA financial assistance, what will be the impact on the Applicant and Dutchess County and/or municipality? Would the applicant proceed with the project without DCIDA assistance? (*Attached additional sheets if necessary*).

Bluewater, the developer for the project, intends to secure entitlements for the project (“HVLC”) and to begin construction as early as Q4 2022. Marketing for HVLC will be targeted to companies interested in the benefits of locating in Dutchess County, and Bluewater will highlight those benefits relative to competing sites in Orange County, Northeast Pennsylvania, and New Jersey. However, development costs and real estate taxes are materially higher in Dutchess County than in those competing submarkets. A PILOT Agreement would enable the project to create a more level playing field to attract tenants to support the development of the site and the residual economic impact to the local community. The Applicant would not proceed with the project without DCIDA assistance through a PILOT Agreement.

Please confirm by checking the box below if there is a likelihood that the Project would be not undertaken but for the Financial Assistance provided by the DCIDA.

Yes No

If the Project could be undertaken without Financial Assistance provided by the DCIDA, then provide a statement below indicating why the Project should be undertaken by the DCIDA.

N/A

To the extent the project serves a local market area, is there a recognized and demonstrable need for the products or services the project will provide in the project's market area?

Project is being constructed on a speculative basis. Specific tenant business operations characteristics are not yet known.

Is the project compatible with and will significantly assist and enhance all development plans for its area established formally or informally by local, county, state and federal authorities?

Yes. This project would enable the Town of East Fishkill to finally realize a redevelopment of the fallow IBM West Campus, which it has been actively seeking to do since at least 2014 when the Town passed "Local Law 4 2014: A Local Law Regarding Economic Redevelopment Special Permit" which aims specifically to redevelop the subject site.

Will the project be incorporating new energy efficiency factors in the design and operation of project? If yes, please elaborate. If no, please explain why it will not.

Yes. LED light fixtures, low-flow water fixtures, and roof structure design will include capacity for solar panels.

Is the project of a speculative nature?

Yes.

Is this part of a Multi-Phase Project? Yes No

Will the Project include leasing any equipment? – N/A* Yes No

** Project is being constructed on a speculative basis. Specific tenant characteristics are not yet known.*

C. Zoning of Project Site:

Current

I-1 Light Industrial

Project would apply for an Economic Redevelopment Special Permit which is a permit specifically adopted by the Town of East Fishkill to support the redevelopment of the property.

Proposed

Are any variances needed? If so, please list:

None.

If a change in zoning/land use is required, please provide the details/status of any request for change in zoning/land use requirements.

N/A

The approximate acreage of the land to be purchased or leased:

41.3 acres

The approximate square footage of the existing building to be purchased or space to be expanded/renovated is:

None.

The approximate square footage of the planned *new* construction is:

530,000 SF.

Please note that the DCIDA cannot provide any financial assistance until the environmental review required under the State Environmental Quality Review Act ("SEQRA") has been completed. Please complete the annexed Short Form Environmental Assessment Form. Based upon the information provided in that form and elsewhere in this application, the DCIDA may require further information regarding potential environmental impacts.

NOTE: See Full EAF (i.e. Long-Form EAF) attached as Attachment 1 in lieu of Short-Form EAF.

If this project is likely to have a significant adverse impact on the environment (a "Type I" action), then the action is probably required to be reviewed by one or more other state or local agencies, such as a local zoning or land use authority. In that event, the DCIDA generally will not act as "lead DCIDA," and any action by the DCIDA must await completion of the SEQRA review by the other DCIDA. If that is not the case, i.e., if the proposed action is a "Type II" or "unlisted" action under SEQRA, the DCIDA may act independently for SEQRA purposes.

Any known environmental contamination or remediation issues? Yes No

If yes, please list: _____

Has another entity been designated lead agent under the State Environmental Quality Review Act? Yes No

If yes, please explain Town of East Fishkill's Town Board to announce its intention to serve as Lead Agent on June 23, 2022.

The DCIDA will not provide any financial assistance to the Project until the environmental findings required under SEQR have been made.

D. Investment (Uses and Sources)

Uses (Facility Costs) Please give an accurate estimate of the costs of all of the following items.

Applicants are encouraged to discuss the project with DCIDA in order to estimate costs.

1. Real Estate

(Acquisition cost of land and /or existing structures)

\$ 22,000,000.00

2. New Construction

\$ 56,000,000.00

3. Reconstruction/Renovation/Expansion

N/A

4. Infrastructure Work

\$ N/A

5. Fixed Equipment (Taxable) (Spending that will be subject to sales tax – i.e. machinery and equipment)

\$ N/A

6. Other Tax Exempt

(non-construction spending that will not be subject to sales tax)

\$ N/A

7. Professional Services (Architect, Legal Fees¹, Engineering fees)

\$ \$1,500,000.00

8. Other Taxable (please specify)

\$ 0

9. Other (please specify)

\$ 0

Estimated Total Project Cost \$ 79,500,000.00

Uses (Financing, Legal, Miscellaneous)

Estimated Fees

IDA Administrative Fees (See page 1)

\$ TBD

IDA Counsel

\$ TBD

Applicant Counsel

\$ 20,000.00

Transaction Counsel

\$ N/A

Bond Counsel

\$ N/A

Underwriter Counsel

\$ N/A

Trustee Counsel

\$ N/A

Other Costs of Bond Issue (i.e. printing)

\$ N/A

If this is a bond transaction, will you be refunding bonds? And if so state amount here

\$ N/A

DCIDA costs such as public hearings and legal notice fees are the responsibility of the Applicant from the time an application is submitted.

E. SOURCES

Amount of equity	\$ <u>27,825,000.00</u>
Amount of other conventional financing	\$ <u>51,675,000.00</u>
Amount financed by bond issue	\$ <u>N/A</u>
Public Sources (Include sum total of all state and federal grants and tax credits)*	\$ <u>0</u>
Total Sources of Funds for Project Cost	\$ <u>79,500,000.00</u>

*Identify each state and federal grant/credit

_____	\$ _____
_____	\$ _____
_____	\$ _____

F. Project Construction Schedule

What is the proposed date for commencement of acquisition or construction of the Project?
Constructed expected to commence as early as Q4 2022.

Please indicate the actual or expected dates of :

Construction completion: 12-15 months following commencement of construction.

Occupancy: Building is being constructed on a speculative basis.
 Timing of occupancy is not yet known.

Will the company be occupying 100% of the completed facility? – N/A* Yes No
 If no, will there be tenants in the remaining space? Yes No

- Detailed questions will be asked in Section 5 – Single or Multi-Tenant Determination

* Project is being constructed on a speculative basis. Tenant details are not yet known.

Describe any contracts or agreements (options to purchase, purchase contracts, construction contracts, and equipment orders) which have been entered into with respect to the facility.

Please note that the DCIDA may not provide benefits to any purchases made prior to the execution of a Letter of Authorization for Sales Tax Exemption.

None.

Section 3: Project Evaluation and Assistance Framework

All projects must meet the Baseline Requirements to be considered for DC IDA benefits

A. Baseline Requirements (Must Achieve All)

- | | |
|--|---|
| <input checked="" type="checkbox"/> Complete Application | <input checked="" type="checkbox"/> Meets Project Use Definition |
| <input checked="" type="checkbox"/> Meets NYS/DCIDA Requirements | <input checked="" type="checkbox"/> "But For" Requirement |
| <input checked="" type="checkbox"/> SEQRA / Planning Approval | <input checked="" type="checkbox"/> Will Directly Retain or Create Jobs |

NOTE: In Process

B. Additional Community Benefits

Projects that meet the baseline eligibility requirements and achieves a threshold of at least six (6) community benefit metrics may be considered for a deviation or an enhanced Payment in Lieu of Taxes (PILOT) formula. Detailed definitions of the Community Benefit are included in Attachment 3. Proof of providing additional community benefits may require third party verification. Any projects pledging additional Community Benefits and receiving an enhanced PILOT that fail to meet the requirements may be subject to assistance termination, modification or recapture.

<i>Revitalization</i>	<i>Investment</i>	<i>Employment</i>
Target Geography	Financial Commitment	Permanent Jobs*
<input type="checkbox"/> Distressed Census Tract/Area	<input type="checkbox"/> 3 – 10 million	<input type="checkbox"/> 3-40
<input type="checkbox"/> High Vacancy Census Tract	<input type="checkbox"/> 10.1 – 17.5 million	<input type="checkbox"/> 21-80
<input type="checkbox"/> Transit Oriented Development	<input type="checkbox"/> 17.6 – 25 million	<input checked="" type="checkbox"/> 81-120
<input type="checkbox"/> BID	<input checked="" type="checkbox"/> >25 million	<input type="checkbox"/> 121-180
<input type="checkbox"/> Neighborhood Plan		<input type="checkbox"/> > 180
	Community Commitment	Retained Jobs*
Identified Priority	<input type="checkbox"/> MWBE/DBE Participation	<input type="checkbox"/> 3-40
<input type="checkbox"/> Tax Exempt	<input type="checkbox"/> Veteran Participation	<input type="checkbox"/> 21-80
<input checked="" type="checkbox"/> Vacant	<input type="checkbox"/> Workforce /Affordable Housing	<input type="checkbox"/> 81-120
<input type="checkbox"/> Adaptive Re-use	<input checked="" type="checkbox"/> Local Workforce	<input type="checkbox"/> 121-180
<input type="checkbox"/> Community Catalyst	<input type="checkbox"/> Apprenticeship Program	<input type="checkbox"/> > 180
	<input checked="" type="checkbox"/> Public Infrastructure	
Identified Growth Area	Environmental Factors	Construction Jobs
<input checked="" type="checkbox"/> Manufacturing / Distribution	<input type="checkbox"/> Resource Conservation	<input type="checkbox"/> 6-80
<input type="checkbox"/> Technology	<input checked="" type="checkbox"/> Energy Efficiency	<input checked="" type="checkbox"/> 81-160
<input type="checkbox"/> Existing Cluster	<input type="checkbox"/> Green Technology	<input type="checkbox"/> 161-240
	<input type="checkbox"/> Alternative / Renewable Energy	<input type="checkbox"/> >240

**Project is being constructed on a speculative basis. Project anticipates the occupying tenant will generate 100-500 permanent jobs, which will be driven by type of tenant operations.*

C. Project Benefits

Financial Assistance Provided

1. Estimated Sales Tax Exemption[^]*

$$\frac{\$22,400,000.00}{\text{Amount of Project Cost Subject to Tax}} \times \frac{.08125}{\text{Sales Tax Rate}} = \frac{\$1,820,000.00}{\text{Total}}$$

** NOTE: By virtue of IDA involvement, "goods purchased for either initial construction or startup" will not be subject to sales tax. It is assumed that 40% of the New Building Construction (\$56,000,000) will be allocated to goods purchased for either initial construction or start-up equipment.*

2. Estimated Mortgage Recording Tax Exemption

$$\frac{\$51,675,000.00}{\text{Projected Amount of Mortgage}} \times \frac{.0075}{\text{Mortgage Recording Tax}} = \frac{\$387,563.50}{\text{Total}}$$

**As of September 2016, DC IDA cannot exempt the MTA portion of the mortgage recording tax*

3. Estimated Property Tax Abatement

Project Property Value:

Current Assessed Value:	\$5,000,000.00
Current Property Taxes	<u>\$155,187.96</u>
Estimated Property Value after project completion	<u>TBD</u>

Will the Project utilize the DCIDA's Uniform Tax Exemption Formula? Yes X No

If no, please describe the real property tax exemption formula and a justification (attach additional sheets if necessary)

See "Attachment 4: PILOT Schedule Summary" and Section 2(b) above.

Estimated tax abatement resulting from this project \$ TBD
 (Consult with DCIDA for assistance with this calculation)

[^]Note that the DCIDA may utilize the estimate above as well as the proposed total Project Cost as contained within this application to determine the Financial Assistance that will be offered.

Are employees provided health benefits? Yes No X N/A*

**Project is being constructed on a speculative basis. Employment benefit details are TBD.*

Estimate the projected monthly timeframe for the creation of new permanent jobs at project location*

Year 1	1	2	3	4	5	6	7	8	9	10	11	12
												50
Year 2	1	2	3	4	5	6	7	8	9	10	11	12
												50

**Project is being constructed on a speculative basis. Estimates for timing of FTE generation above assumes duration commences upon occupancy.*

Use of Local Workforce

The Dutchess County IDA supports the use of local workforce for projects receiving benefits from the DCIDA. Answers to the following questions will assist the DCIDA in evaluating the application.

The Local Workforce Area for **permanent jobs** includes residents in the County/Cities/Towns/Villages as well as the following Counties:, Dutchess County, Orange County, Putnam County, Rockland County, Sullivan County, Ulster County and Westchester County.

If a “local workforce plan” has been developed please include that plan as an addendum to this application.

Estimate the number of residents of the labor workforce area in which the Project is located that will fill the projected new jobs to be created.

Project anticipates occupying tenant will generate approximately 100 jobs.*

** Project is being constructed on a speculative basis. Project anticipates the occupying tenant will generate 100-500 permanent jobs, which will be driven by type of tenant operations.*

How will the project developer seek out and use the local workforce.

Project developer would use traditional recruiting methods to seek out local job seekers.

Projects \$10,000,000 and above, which are receiving a real property tax abatement, are subject to DCIDA’s Local Workforce Policy during the period of construction

The *Labor Workforce Area* for **construction jobs** under the Local Workforce Policy includes residents in the County/Cities/Towns/Villages as well as the following Counties: Columbia County, Dutchess County, Greene County, Orange County, Putnam County, Rockland County, Sullivan County, Ulster County and Westchester County.

How many construction jobs are anticipated to be created? 125

Section 4: Retail Determination

DCIDA assistance to retail projects (including hotels and restaurants) is subject to certain statutory restrictions.

To ensure compliance with Section 862 of the New York General Municipal Law, the DCIDA requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

1. Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below please complete this section.

Retail Sales Yes No Services Yes No

For purposes of this question, the term “retail sales” means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the “Tax Law”) primarily engaged in the retail sales of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law or (ii) sales of a service to customers who personally visit the Project.

2. Will any portion of the project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in makes sales of good or services to customers who personally visit the project site?

Yes No If yes, please continue. If no, proceed to the next section

3. What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? 0 % If the answer is less than 33% than proceed to the next section.

If the answer to question 2 is Yes and the answer to question 3 is greater than 33% indicate which of the following questions following apply to the project:

Is the project location or facility likely to attract a significant number of visitors from outside Dutchess County?

Yes No

If yes, please provide a third party market analysis or other documentation supporting your response.

Is the predominant purpose of the project to make available goods and services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

Yes No

If yes, please provide a third party market analysis or other documentation supporting your response.

Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in New York State?

Yes No If yes, please explain _____

Is the project located in a Highly Distressed Area?

Yes No

Section 5 – Inter-Municipal Move Determination

Will the project result in the removal of a plant or facility of the Applicant from one area of the State of New York to another area of the State of New York?*

Yes No

**Project is being constructed on a speculative basis. Specific tenant employment characteristics are not yet known.*

Will the project result in the removal of a plant or facility of *another proposed occupant* of the Project from one area of the State of New York to another area of the State of New York?*

Yes No

**Project is being constructed on a speculative basis. Specific tenant employment characteristics are not yet known.*

Will the Project result in the abandonment of one or more plants or facilities located in the State of New York?*

Yes No

**Project is being constructed on a speculative basis. Specific tenant employment characteristics are not yet known.*

If the answer to either of the foregoing questions in this subpart is positive, please explain in detail, on as many separate sheets as necessary, the reasons for the relocation, abandonment or closure, including, without limitation, (i) any considerations regarding the applicant’s (or other occupant’s) ability to remain competitive in its industry, and (ii) any consideration which has been given to relocating to any location outside the State of New York.

Please note that the DCIDA may ask you to provide additional information regarding the foregoing, including documentary support

Section 6 – Single or Multi-Tenant Determination

Permissible projects are defined in the NYS General Municipal Law and the IDA may not be able to grant financial assistance to all tenants of a multi-tenant project. To assist in that determination please complete the following section.

Please note if the tenant qualifies as a permissible project, the Project Applicant will be responsible for collecting the required reporting information from the tenant(s).

Please explain what market conditions support the construction of this multi-tenant facility:
Project is being constructed on a speculative basis. Specific tenant characteristics are not yet known.

Have any tenant leases been entered into for this project? Yes X No

If yes, please list below and provide square footage to be leased to tenant and NAICS code for tenant and nature of business. (Attach additional sheets if necessary)

Tenant Name	Current Location (city, state, zip)	# of sq.ft leased	% of total to be occupied at project location	NAICS and business description (type of business, products, etc)

Section 7 – Representations, Certifications and Indemnification Forms

New York State
Applicant Requirements
For Industrial Development Agencies

The Applicant has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the DCIDA and as follows:

1. Absence of Conflicts of Interest

The Applicant has received from the DCIDA a list of the members, officers and employees of the DCIDA. No member, officers or employees of the DCIDA has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

None.

2. Job Listing

In accordance with Section 858-b(2) of the New York General Municipal Law, Applicant understands and agrees that, if the Project receives any Financial Assistance from the DCIDA, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed within the New York State Department of Labor, Division of Employment and Workforce Solutions (the DOL) and with the American Job Center of the service delivery area created by the federal Workforce Innovation and Opportunity Act (WIOA) in which the Project is located.

3. First Consideration for Employment

In accordance with Section 858-b (2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the DCIDA, except as otherwise provided by collective bargaining agreements, where applicable, the Applicant will first consider persons eligible to participate in WIOA programs who shall be referred by the American Job Center for new employment opportunities created as a result of the Project.

4. Annual Employment Reports

The Applicant understands and agrees that, if the Project receives any Financial Assistance from the DCIDA, the Applicant agrees to file, or cause to be filed, with the DCIDA, on an annual basis, reports regarding the number of people employed at the project site, salary levels and such other information as part of the DCIDA's Employment Report.

5. Fees

This obligation includes an obligation to submit DCIDA Fee Payment to the DCIDA in accordance with the DCIDA Fee policy effective as of the date of this Application.

6. Freedom of Information Law (FOIL)

The Applicant acknowledges that the DCIDA is subject to New York State's Freedom of Information Law (FOIL). Applicants understand that all project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.

7. Recapture Policy

The applicant acknowledges that is has been provided with a copy of the DCIDA's *Policy on Maintaining Performance Based Incentives*. The Applicant agrees that it fully understands the Policy on Maintaining Performance Based Incentives is applicable to the Project that is the subject of this application and the DCIDA may implement the Policy if and when it is required to do so.

Financial Reporting Requirements

Chapter 692 of the Laws of 1989 requires additional financial reporting requirements from all IDA's in New York State.

8. Sales Tax

Section 874(8) of the New York general Municipal Law requires all entities appointed as agents of the DCIDA for sales tax purposes to file an annual form, as prescribed by the New York State Department of Taxation, describing the value of sales tax exemptions claimed by the Applicant and all its subagents, consultants, or subcontractors. Copies of all filings shall be provided to the DCIDA.

The Applicant hereby agrees to complete "ST-60, IDA Appointment of Project Operator or Agent for Sales Tax Purposes" for itself and each agent, subagent, contractor, subcontractor, contractors or subcontractors of such agents and subagents and to such other parties as the Applicant chooses who provide materials, equipment, supplies or services and deliver said form to the DCIDA within fifteen (15) days of appointment such that the DCIDA can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment.

- 9. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§862 Restrictions on funds of the DCIDA. (1) No funds of the DCIDA shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the DCIDA shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

- 10. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations
- 11. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18A of the New York General Municipal Law, including, but not limited to, the provisions of Section 859a and Section 862(1) of the New York General Municipal Law.

12. Bonds

- a. **All bonds issued, outstanding or retired during the year must indicate the following:**

Month and year issued; Interest rate at year end; outstanding beginning of year; issued during year; principal payments during year; outstanding at end of year; and final maturity date. This information will be requested from you in January of each year.

- b. **All new bonds issued need the following supplemental information:**

Name of the project; tax exemptions separated by State and local sales tax, County and school taxes; Mortgages recording; Payments in lieu of taxes; New tax revenue if no exemption is granted; number of jobs created and other economic benefits. This information is required each year and will be requested from you in September of each year.

Signature SEE FOLLOWING PAGE
 Print Name _____
 Title _____
 Date _____

CANAM HUDSON VALLEY LOGISTICS OWNER, LLC, a
Delaware limited liability company

DocuSigned by:

By: 859F9E1A5A14446...
Name: John DiCola
Title: Authorized Representative
Date: 6/23/2022

HOLD HARMLESS AGREEMENT

Applicant hereby releases the Dutchess County Industrial Development DCIDA and its members, officers, servants, agents and employees thereof (the "DCIDA") from, agrees that the DCIDA shall not be liable for and agrees to indemnify, defend and hold the DCIDA harmless from and against any and all liability arising from or expense incurred by (A) the DCIDA's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the DCIDA, (B) the DCIDA's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the DCIDA with respect to the Project; including and without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the DCIDA or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the DCIDA, its agents or assigns, all costs incurred by the DCIDA in the processing of the Application, including attorneys' fees, if any. The DCIDA reserves the right at any time, as a condition to further consideration of this application, to require reimbursement of any such costs incurred, or to require a deposit against such costs and to apply such deposit to the DCIDA's costs as incurred.

Signature	<u>SEE FOLLOWING PAGE</u>
Print Name	_____
Title	_____
Date	_____

CANAM HUDSON VALLEY LOGISTICS OWNER, LLC, a
Delaware limited liability company

DocuSigned by:

By: 859F0E1A5A14446...
Name: John DiCola
Title: Authorized Representative
Date: 6/23/2022

To Be Completed for Bond Financing only

2) Bond Information

1. State Bond Issuance Fees: N.Y. Public Authorities Law §2976(2) levies upon the DCIDA the following (which amount must be paid to the DCIDA by the applicant):

<u>Principal Amount of Bonds</u>	<u>Percentage Fees</u>
\$1,000,000 or less	.168
\$1,000,000 to \$ 5,000,000	.336
\$5,000,001 to \$ 10,000,000	.504
\$10,000,001 to 20,000,000	.672
More than \$20,000,000	.084

2. Total Funds Required _____ Estimated Term _____

3. Indicate the date by which the proceeds of the DCIDA's bonds, if issued will be needed

Date Required _____

3) Certification
To Be Completed for Bond Financing only

_____ deposits and says that he/she is
(Name of Officer of Company submitting application)

the _____ of _____
(Title) (Company Name)

The corporation named in the attached application; that he/she has read the forgoing application and knows the contents thereof; that the same is true to his/her knowledge.

Deponent further says that the reason this verification is being made by the deponent and not by

_____ is because the said Company is a Corporation.
(Company Name)

The grounds of deponent's belief relative to all matters in the said application which are not stated upon his/her own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his/her duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the "applicant"), deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the Dutchess County Industrial Development DCIDA (hereinafter referred to as the "DCIDA") acting on behalf of the applicant during the attendant negotiations and leading to the issue of bonds. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified time to take reasonable, proper, or request action, or withdraws, abandons, cancels, or neglects the application, or if the DCIDA or applicant are unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, applicant shall pay to the DCIDA, its' agents, or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees of bond counsel for the DCIDA and fees of general counsel for the DCIDA.* Upon successful conclusion and sale of the required bond issue, the applicant shall pay to the DCIDA an administrative fee set by the DCIDA.

(Chief Officer of Company submitting)

_____ Title _____
Print Name

Date

NOTARY: Sworn to me before this _____ day of _____, 20 _____
*Applicant is responsible for payment of any State Bond Issuance Fees.

Notary Public (Please Affix Stamp)

Section 8 - Local Workforce Utilization Policy and Certification

Construction jobs, though limited in time duration, are vital to the overall employment opportunities in Dutchess County. The Dutchess County Industrial Development Agency (the "Agency") has determined that Project Applicants (the "Company"), as a condition to receiving a real property tax abatement also referred to a Payment in Lieu of Taxes (PILOT) from the Agency, will be required to utilize qualified Workforce, as defined below, for all projects involving the construction, expansion, equipping, demolition and/or remediation of new, existing, expanded or renovated facilities (collectively, the "Project Site").

For Projects \$10,000,000 and Above Receiving a Real Property Tax Abatement

Local Area Defined

For projects equal to or greater than \$10,000,000 the Local Area is defined as individuals residing in the following Counties (collectively, the "Local Area"): Columbia County, Dutchess County, Greene County, Orange County, Putnam County, Rockland County, Sullivan County, Ulster County and Westchester County.

Local Workforce Requirement

Companies receiving a PILOT as part of their financial assistance shall ensure that at least 80% of total work hours of the general contractor, subcontractor, or subcontractor to a subcontractor (collectively the "Workers") working on the Project Site must reside within the Local Area. The 80% shall be measured by hours in total at the time of completion of the project. Companies do not have to be local companies as defined herein, but must employ local Workers residing within the Local Area to qualify under the 80% local Workforce criteria.

Local Workforce Reporting Requirement

The Local Workforce criteria will be verified based on employment, payroll and related records.

In addition, the Agency, or its designated agents, shall have the right, during normal business hours, to examine and copy records of the Company and to perform spot checks of all Workers at the Project Site to verify compliance with the Local Workforce requirement throughout the construction period.

Enforcement

If Agency staff determines that: (1) The Local Workforce Requirement is not being met; or (2) Agency Staff, upon use of its reasonable discretion, discovers or becomes aware of a compliance issue related to the Local Workforce Requirement, then a written warning delivered by Certified Mail of said Local Workforce Requirement violation (the "Warning of Violation") shall be provided to the Company.

In the event a subsequent violation of the policy has occurred, then written notice delivered by Certified Mail of said Local Workforce Requirement violation (the "Notice of Violation") shall be provided to the Company and the Executive Director shall bring the information to the Board of Directors which may, in its discretion, take action to revoke IDA benefits.

The Company has the primary obligation for the adherence to all the conditions of this policy. This obligation cannot be relieved, evaded or diminished by assigning a Contractor or through subcontracting. Should the project applicant assign a Contractor, the Company shall continue to have primary obligation.

Projects with multiple phases or projects with multiple owner entities will be considered in whole during the enforcement period.

Waiver Request

It is understood that at certain times, Workers residing within the Local Area may not be available with respect to a Project. Under this condition, the Company is required to contact the Agency to request a waiver of the Local Utilization Requirement (the “Local Workforce Utilization Waiver Request”) based on the following circumstances:

- Warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers
- Specialized construction for which qualified Local Workforce Area workers are not available;
- Significant cost differentials in bid prices whereby the use of local Workforce significantly increases the cost of the project. A cost differential of 10% is deemed significant. Every effort should be made by the contractor or applicant to get below the 10% cost differential including, but not limited to, meeting with local construction trade organizations and local contractor associations
- Documented lack of workers meeting the Local Workforce Area requirement

The Agency shall evaluate the Local Workforce Utilization Waiver Request and make its determination related thereto based upon the supporting documentation received with such waiver request.

The foregoing terms have been read, reviewed and understood by the Company and all appropriate personnel. The undersigned agrees and understands that the information contained herein must be transmitted and conveyed in a timely fashion to all applicable subcontractors, suppliers and materialmen. Furthermore, the undersigned realizes and understands that failure to abide by the terms herein could result in the Agency revoking all or any portion of Financial Assistance, whether already received or to be received by the Company, as it deems reasonable in its sole discretion for any violation hereof.

CANAM Hudson Valley Logistics Owner, LLC

Name of Company

John DiCola

Name:

Authorized Representative

Title

Attachment 1 - Short Environmental Assessment Form

Please complete a Short Form Environmental Assessment Form (<https://www.dec.ny.gov/permits/6191.html>) . Based upon the information provided in that form and elsewhere in this application, the DCIDA may require further information regarding potential environmental impacts.

If this project is likely to have a significant adverse impact on the environment (a “Type I” action), then the action is probably required to be reviewed by one or more other state or local agencies, such as a local zoning or land use authority. In that event, the DCIDA generally will not act as “lead DCIDA,” and any action by the DCIDA must await completion of the SEQRA review by the other DCIDA. If that is not the case, i.e., if the proposed action is a “Type II” or “unlisted” action under SEQRA, the DCIDA may act independently for SEQRA purposes.

Full Environmental Assessment Form
Part 1 - Project and Setting

Instructions for Completing Part 1

Part 1 is to be completed by the applicant or project sponsor. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification.

Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information; indicate whether missing information does not exist, or is not reasonably available to the sponsor; and, when possible, generally describe work or studies which would be necessary to update or fully develop that information.

Applicants/sponsors must complete all items in Sections A & B. In Sections C, D & E, most items contain an initial question that must be answered either "Yes" or "No". If the answer to the initial question is "Yes", complete the sub-questions that follow. If the answer to the initial question is "No", proceed to the next question. Section F allows the project sponsor to identify and attach any additional information. Section G requires the name and signature of the applicant or project sponsor to verify that the information contained in Part 1 is accurate and complete.

A. Project and Applicant/Sponsor Information.

Name of Action or Project: Hudson Valley Logistics Center		
Project Location (describe, and attach a general location map): 500 South Drive, East Fishkill, NY		
Brief Description of Proposed Action (include purpose or need): CANAM Hudson Valley Logistics Owner, LLC proposes to develop a new warehouse distribution facility to be located on approximately 33.73 acres of land known as the former Hopewell Sports Dome. The proposed action is for site plan and subdivision approval. The primary site is designated as parcel 6356-04-597105. The site was formerly the Hopewell Sports Dome and consisted of partially constructed wall foundations, stormwater management areas, and soil stockpiles. The new distribution facility would consist of a one-story building containing approximately 530,000 square feet. The facility will also have approximately 128 loading docks, 334 car parking spaces, 250 banked car parking spaces, and 140 trailer parking spaces. Other improvements include stormwater management facilities, landscaping, site lighting, and other utility infrastructure. A retaining wall is proposed along the southern property boundary. The site is currently zoned I-1 Light Industrial, and will pursue an Economic Redevelopment Special Permit with the Town of East Fishkill. The proposed development reuses the existing infrastructure to the greatest extent practical, and minimizes or avoids impacts in sensitive areas such as wetlands, flood hazard areas, and other undisturbed areas.		
Name of Applicant/Sponsor: CANAM Hudson Valley Logistics Owner, LLC	Telephone: 917-575-5036	
	E-Mail: jdicola@bluewaterpg.com	
Address: 205 Hudson Street, 8th Floor		
City/PO: New York	State: NY	Zip Code: 10013
Project Contact (if not same as sponsor; give name and title/role): John DiCola - Manager	Telephone: 917-575-5036	
	E-Mail: jdicola@bluewaterpg.com	
Address:		
City/PO:	State:	Zip Code:
Property Owner (if not same as sponsor): (same as sponsor)	Telephone:	
	E-Mail:	
Address:		
City/PO:	State:	Zip Code:

B. Government Approvals

B. Government Approvals, Funding, or Sponsorship. (“Funding” includes grants, loans, tax relief, and any other forms of financial assistance.)		
Government Entity	If Yes: Identify Agency and Approval(s) Required	Application Date (Actual or projected)
a. City Council, Town Board, or Village Board of Trustees <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	East Fishkill Town Board (SEQR, Economic Redevelopment Special Permit)	SEQR: 7/25/2022 ERSP: 6/22/2022
b. City, Town or Village Planning Board or Commission <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Town of East Fishkill Planning Board (Site Plan Approval & Subdivision), Dutchess County IDA	7/25/2022
c. City, Town or Village Zoning Board of Appeals <input type="checkbox"/> Yes <input type="checkbox"/> No		
d. Other local agencies <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Architectural Review Board	
e. County agencies <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Dutchess County Planning Board (239m Referral) Dutchess County DPW, DOH, and IDA	TBD
f. Regional agencies <input type="checkbox"/> Yes <input type="checkbox"/> No		
g. State agencies <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	NYSDEC SPDES Permit; NYSDOT; SHPO letter of no impact	TBD
h. Federal agencies <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	U.S. Army Corps of Engineers	TBD
i. Coastal Resources.		
i. Is the project site within a Coastal Area, or the waterfront area of a Designated Inland Waterway?		<input type="checkbox"/> Yes <input type="checkbox"/> No
ii. Is the project site located in a community with an approved Local Waterfront Revitalization Program?		<input type="checkbox"/> Yes <input type="checkbox"/> No
iii. Is the project site within a Coastal Erosion Hazard Area?		<input type="checkbox"/> Yes <input type="checkbox"/> No

C. Planning and Zoning

C.1. Planning and zoning actions.	
Will administrative or legislative adoption, or amendment of a plan, local law, ordinance, rule or regulation be the only approval(s) which must be granted to enable the proposed action to proceed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> • If Yes, complete sections C, F and G. • If No, proceed to question C.2 and complete all remaining sections and questions in Part 1 	
C.2. Adopted land use plans.	
a. Do any municipally- adopted (city, town, village or county) comprehensive land use plan(s) include the site where the proposed action would be located?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, does the comprehensive plan include specific recommendations for the site where the proposed action would be located?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Is the site of the proposed action within any local or regional special planning district (for example: Greenway; Brownfield Opportunity Area (BOA); designated State or Federal heritage area; watershed management plan; or other?)	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, identify the plan(s):	

c. Is the proposed action located wholly or partially within an area listed in an adopted municipal open space plan, or an adopted municipal farmland protection plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, identify the plan(s):	

C.3. Zoning

- a. Is the site of the proposed action located in a municipality with an adopted zoning law or ordinance. Yes No
 If Yes, what is the zoning classification(s) including any applicable overlay district?
I-1, Light Industrial District; Economic Redevelopment Special Permit
- b. Is the use permitted or allowed by a special or conditional use permit? Yes No
- c. Is a zoning change requested as part of the proposed action? Yes No
 If Yes,
 i. What is the proposed new zoning for the site? _____

C.4. Existing community services.

- a. In what school district is the project site located? Wappingers Central School District
- b. What police or other public protection forces serve the project site?
East Fishkill Police Department; Dutchess County Sheriff's Department provides 911 service.
- c. Which fire protection and emergency medical services serve the project site?
East Fishkill Fire Department, includes fire and rescue squad services.
- d. What parks serve the project site?
Lime Kiln Recreation Area (town park, +/- 2 miles from project site)

D. Project Details

D.1. Proposed and Potential Development

- a. What is the general nature of the proposed action (e.g., residential, industrial, commercial, recreational; if mixed, include all components)? Warehouse and distribution facility
- b. a. Total acreage of the site of the proposed action? _____ 41.33 acres
 b. Total acreage to be physically disturbed? _____ 36 +/- acres
 c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? _____ 41.33 acres
- c. Is the proposed action an expansion of an existing project or use? Yes No
 i. If Yes, what is the approximate percentage of the proposed expansion and identify the units (e.g., acres, miles, housing units, square feet)? % _____ Units: _____
- d. Is the proposed action a subdivision, or does it include a subdivision? Yes No
 If Yes,
 i. Purpose or type of subdivision? (e.g., residential, industrial, commercial; if mixed, specify types)
Lot line adjustment for industrial development (would occur in the event of conveyance of 7.6-acre easement area)
 ii. Is a cluster/conservation layout proposed? Yes No
 iii. Number of lots proposed? 1
 iv. Minimum and maximum proposed lot sizes? Minimum 41.33 acres Maximum 41.33 acres
- e. Will the proposed action be constructed in multiple phases? Yes No
 i. If No, anticipated period of construction: _____ 15 months
 ii. If Yes:
 • Total number of phases anticipated _____
 • Anticipated commencement date of phase 1 (including demolition) _____ month _____ year
 • Anticipated completion date of final phase _____ month _____ year
 • Generally describe connections or relationships among phases, including any contingencies where progress of one phase may determine timing or duration of future phases: _____

f. Does the project include new residential uses? Yes No

If Yes, show numbers of units proposed.

	<u>One Family</u>	<u>Two Family</u>	<u>Three Family</u>	<u>Multiple Family (four or more)</u>
Initial Phase	_____	_____	_____	_____
At completion	_____	_____	_____	_____
of all phases	_____	_____	_____	_____

g. Does the proposed action include new non-residential construction (including expansions)? Yes No

If Yes, Primary warehouse and one water tank for fire suppression

- i. Total number of structures 2
- ii. Dimensions (in feet) of largest proposed structure: 53'-0" height; 500'-0" width; and 1,090'-0" length
- iii. Approximate extent of building space to be heated or cooled: 530,000 square feet

h. Does the proposed action include construction or other activities that will result in the impoundment of any liquids, such as creation of a water supply, reservoir, pond, lake, waste lagoon or other storage? Yes No

If Yes,

- i. Purpose of the impoundment: Stormwater management
- ii. If a water impoundment, the principal source of the water: Ground water Surface water streams Other specify: Surface runoff from proposed development
- iii. If other than water, identify the type of impounded/contained liquids and their source.
N/A

iv. Approximate size of the proposed impoundment. Volume: 3.26 million gallons; surface area: 4.9 acres

v. Dimensions of the proposed dam or impounding structure: 10' height; 300' length

vi. Construction method/materials for the proposed dam or impounding structure (e.g., earth fill, rock, wood, concrete):
Earth fill - proposed stormwater management facilities will be designed in accordance with NYSDEC and Town of East Fishkill requirements.

D.2. Project Operations

a. Does the proposed action include any excavation, mining, or dredging, during construction, operations, or both? (Not including general site preparation, grading or installation of utilities or foundations where all excavated materials will remain onsite) Yes No

If Yes:

- i. What is the purpose of the excavation or dredging? _____
- ii. How much material (including rock, earth, sediments, etc.) is proposed to be removed from the site?
 - Volume (specify tons or cubic yards): _____
 - Over what duration of time? _____
- iii. Describe nature and characteristics of materials to be excavated or dredged, and plans to use, manage or dispose of them.

iv. Will there be onsite dewatering or processing of excavated materials? Yes No
If yes, describe. _____

v. What is the total area to be dredged or excavated? _____ acres

vi. What is the maximum area to be worked at any one time? _____ acres

vii. What would be the maximum depth of excavation or dredging? _____ feet

viii. Will the excavation require blasting? Yes No

ix. Summarize site reclamation goals and plan: _____

b. Would the proposed action cause or result in alteration of, increase or decrease in size of, or encroachment into any existing wetland, waterbody, shoreline, beach or adjacent area? Yes No

If Yes:

- i. Identify the wetland or waterbody which would be affected (by name, water index number, wetland map number or geographic description): _____

ii. Describe how the proposed action would affect that waterbody or wetland, e.g. excavation, fill, placement of structures, or alteration of channels, banks and shorelines. Indicate extent of activities, alterations and additions in square feet or acres:

iii. Will the proposed action cause or result in disturbance to bottom sediments? Yes No

If Yes, describe: _____

iv. Will the proposed action cause or result in the destruction or removal of aquatic vegetation? Yes No

If Yes:

- acres of aquatic vegetation proposed to be removed: _____
- expected acreage of aquatic vegetation remaining after project completion: _____
- purpose of proposed removal (e.g. beach clearing, invasive species control, boat access): _____
- proposed method of plant removal: _____
- if chemical/herbicide treatment will be used, specify product(s): _____

v. Describe any proposed reclamation/mitigation following disturbance: _____

c. Will the proposed action use, or create a new demand for water? HVLC will obtain water service from Project Redtail. Yes No

If Yes: A Transportation Corporation will be required between Project Redtail and the HVLC development.

i. Total anticipated water usage/demand per day: _____ 7,500 gallons/day

ii. Will the proposed action obtain water from an existing public water supply? Yes No

If Yes:

- Name of district or service area: _____
- Does the existing public water supply have capacity to serve the proposal? Yes No
- Is the project site in the existing district? Yes No
- Is expansion of the district needed? Yes No
- Do existing lines serve the project site? Yes No

iii. Will line extension within an existing district be necessary to supply the project? Yes No

If Yes:

- Describe extensions or capacity expansions proposed to serve this project: _____
- Source(s) of supply for the district: _____

iv. Is a new water supply district or service area proposed to be formed to serve the project site? Yes No

If Yes:

- Applicant/sponsor for new district: _____
- Date application submitted or anticipated: _____
- Proposed source(s) of supply for new district: _____

v. If a public water supply will not be used, describe plans to provide water supply for the project: _____

The proposed development will obtain water service from Project Redtail. A Transportation Corporation will be required between Project Redtail and HVLC

vi. If water supply will be from wells (public or private), what is the maximum pumping capacity: _____ gallons/minute.

d. Will the proposed action generate liquid wastes? Yes No

If Yes:

i. Total anticipated liquid waste generation per day: _____ 7,500 gallons/day

ii. Nature of liquid wastes to be generated (e.g., sanitary wastewater, industrial; if combination, describe all components and approximate volumes or proportions of each): _____
sanitary wastewater

iii. Will the proposed action use any existing public wastewater treatment facilities? Yes No

If Yes:

- Name of wastewater treatment plant to be used: GlobalFoundries Wastewater Treatment Plant
- Name of district: John Jay Sewer Improvement Area
- Does the existing wastewater treatment plant have capacity to serve the project? Yes No
- Is the project site in the existing district? Yes No
- Is expansion of the district needed? Yes No

- Do existing sewer lines serve the project site? Yes No
- Will a line extension within an existing district be necessary to serve the project? Yes No

If Yes:

- Describe extensions or capacity expansions proposed to serve this project: _____

iv. Will a new wastewater (sewage) treatment district be formed to serve the project site? Yes No

If Yes:

- Applicant/sponsor for new district: _____
- Date application submitted or anticipated: _____
- What is the receiving water for the wastewater discharge? _____

v. If public facilities will not be used, describe plans to provide wastewater treatment for the project, including specifying proposed receiving water (name and classification if surface discharge or describe subsurface disposal plans):

vi. Describe any plans or designs to capture, recycle or reuse liquid waste: _____

e. Will the proposed action disturb more than one acre and create stormwater runoff, either from new point sources (i.e. ditches, pipes, swales, curbs, gutters or other concentrated flows of stormwater) or non-point source (i.e. sheet flow) during construction or post construction? Yes No

If Yes:

i. How much impervious surface will the project create in relation to total size of project parcel?

_____ Square feet or 27.45 acres (impervious surface)

_____ Square feet or 33.73 acres (parcel size)

ii. Describe types of new point sources. Stormwater runoff will be directed to both existing and proposed stormwater management facilities. All stormwater facilities will be designed in accordance with state and local standards.

iii. Where will the stormwater runoff be directed (i.e. on-site stormwater management facility/structures, adjacent properties, groundwater, on-site surface water or off-site surface waters)?

Stormwater will be directed to on-site new bioretention basins, a new wet pond, and an existing stormwater basin.

- If to surface waters, identify receiving water bodies or wetlands: _____
Wiccopee Creek

- Will stormwater runoff flow to adjacent properties? Yes No

iv. Does the proposed plan minimize impervious surfaces, use pervious materials or collect and re-use stormwater? Yes No

f. Does the proposed action include, or will it use on-site, one or more sources of air emissions, including fuel combustion, waste incineration, or other processes or operations? Yes No

If Yes, identify:

i. Mobile sources during project operations (e.g., heavy equipment, fleet or delivery vehicles)

tractor-trailers

ii. Stationary sources during construction (e.g., power generation, structural heating, batch plant, crushers)

concrete batch plants

iii. Stationary sources during operations (e.g., process emissions, large boilers, electric generation)

HVAC rooftop units

g. Will any air emission sources named in D.2.f (above), require a NY State Air Registration, Air Facility Permit, or Federal Clean Air Act Title IV or Title V Permit? Yes No

If Yes:

i. Is the project site located in an Air quality non-attainment area? (Area routinely or periodically fails to meet ambient air quality standards for all or some parts of the year) Yes No

ii. In addition to emissions as calculated in the application, the project will generate:

- _____ Tons/year (short tons) of Carbon Dioxide (CO₂)
- _____ Tons/year (short tons) of Nitrous Oxide (N₂O)
- _____ Tons/year (short tons) of Perfluorocarbons (PFCs)
- _____ Tons/year (short tons) of Sulfur Hexafluoride (SF₆)
- _____ Tons/year (short tons) of Carbon Dioxide equivalent of Hydrofluorocarbons (HFCs)
- _____ Tons/year (short tons) of Hazardous Air Pollutants (HAPs)

h. Will the proposed action generate or emit methane (including, but not limited to, sewage treatment plants, landfills, composting facilities)? Yes No
 If Yes:
 i. Estimate methane generation in tons/year (metric): _____
 ii. Describe any methane capture, control or elimination measures included in project design (e.g., combustion to generate heat or electricity, flaring): _____

i. Will the proposed action result in the release of air pollutants from open-air operations or processes, such as quarry or landfill operations? Yes No
 If Yes: Describe operations and nature of emissions (e.g., diesel exhaust, rock particulates/dust): _____

j. Will the proposed action result in a substantial increase in traffic above present levels or generate substantial new demand for transportation facilities or services? Yes No
 If Yes:
 i. When is the peak traffic expected (Check all that apply): Morning Evening Weekend
 Randomly between hours of _____ to _____.
 ii. For commercial activities only, projected number of truck trips/day and type (e.g., semi trailers and dump trucks): _____
 318 +/- semi-trailer truck trips per day
 iii. Parking spaces: Existing _____ 0 _____ Proposed _____ 584 _____ Net increase/decrease _____ 584
 iv. Does the proposed action include any shared use parking? Yes No
 v. If the proposed action includes any modification of existing roads, creation of new roads or change in existing access, describe: _____
 vi. Are public/private transportation service(s) or facilities available within 1/2 mile of the proposed site? Yes No
 vii. Will the proposed action include access to public transportation or accommodations for use of hybrid, electric or other alternative fueled vehicles? Yes No
 viii. Will the proposed action include plans for pedestrian or bicycle accommodations for connections to existing pedestrian or bicycle routes? Yes No

k. Will the proposed action (for commercial or industrial projects only) generate new or additional demand for energy? Yes No
 If Yes:
 i. Estimate annual electricity demand during operation of the proposed action: _____
 Approximately 3,000 Amps on 480/277-volt, three-phase service
 ii. Anticipated sources/suppliers of electricity for the project (e.g., on-site combustion, on-site renewable, via grid/local utility, or other):
 Central Hudson Electric Service
 iii. Will the proposed action require a new, or an upgrade, to an existing substation? Yes No

l. Hours of operation. Answer all items which apply.
 i. During Construction:
 • Monday - Friday: _____ 7am - 9pm*
 • Saturday: _____ 7am - 9pm*
 • Sunday: _____ 7am - 9pm*
 • Holidays: _____ 7am - 9pm*
 ii. During Operations:
 • Monday - Friday: _____ 24 hours
 • Saturday: _____ 24 hours
 • Sunday: _____ 24 hours
 • Holidays: _____ 24 hours

*Construction may extend beyond these hours on occasion for critical path construction activities such as concrete pours.

m. Will the proposed action produce noise that will exceed existing ambient noise levels during construction, operation, or both? Yes No

If yes:

i. Provide details including sources, time of day and duration:

Site operations are 24/7 and include steady noise sources such as HVAC and intermittent motor vehicle noise. Site sound is expected to be on the same order of magnitude as existing conditions. Construction noise is intermittent. Operations that may exceed existing conditions will be short in duration.

ii. Will the proposed action remove existing natural barriers that could act as a noise barrier or screen? Yes No

Describe: No existing natural berms or barriers will be removed as part of this project. The construction of a large warehouse building will provide some shielding of sound to certain vantage points. No negative acoustical impact is anticipated from either construction or site operations.

n. Will the proposed action have outdoor lighting? Yes No

If yes:

i. Describe source(s), location(s), height of fixture(s), direction/aim, and proximity to nearest occupied structures:

Light sources are from building-mounted and pole-mounted light fixtures. Luminaires are dark-sky friendly, high-efficiency LED lights with cut-off shields to provide uniform and energy-conscious illumination to walkways, parking lots on-site, and the truck courts.

ii. Will proposed action remove existing natural barriers that could act as a light barrier or screen? Yes No

Describe: _____

o. Does the proposed action have the potential to produce odors for more than one hour per day? Yes No

If Yes, describe possible sources, potential frequency and duration of odor emissions, and proximity to nearest occupied structures: _____

p. Will the proposed action include any bulk storage of petroleum (combined capacity of over 1,100 gallons) or chemical products 185 gallons in above ground storage or any amount in underground storage? Yes No

If Yes:

i. Product(s) to be stored _____

ii. Volume(s) _____ per unit time _____ (e.g., month, year)

iii. Generally, describe the proposed storage facilities: _____

q. Will the proposed action (commercial, industrial and recreational projects only) use pesticides (i.e., herbicides, insecticides) during construction or operation? Yes No

If Yes:

i. Describe proposed treatment(s):

ii. Will the proposed action use Integrated Pest Management Practices? Yes No

r. Will the proposed action (commercial or industrial projects only) involve or require the management or disposal of solid waste (excluding hazardous materials)? Yes No

If Yes:

i. Describe any solid waste(s) to be generated during construction or operation of the facility:

• Construction: _____ approx. 300 tons per _____ N/A (unit of time)

• Operation : _____ 90 tons per _____ year (unit of time)

ii. Describe any proposals for on-site minimization, recycling or reuse of materials to avoid disposal as solid waste:

• Construction: On-site recycling will be provided and privately hauled to recycling facility.

• Operation: On-site recycling will be provided and privately hauled to recycling facility.

iii. Proposed disposal methods/facilities for solid waste generated on-site:

• Construction: Solid waste will be handled by a private contractor.

• Operation: Solid waste will be handled by a private contractor.

s. Does the proposed action include construction or modification of a solid waste management facility? Yes No

If Yes:

- i. Type of management or handling of waste proposed for the site (e.g., recycling or transfer station, composting, landfill, or other disposal activities): _____
- ii. Anticipated rate of disposal/processing:
 - _____ Tons/month, if transfer or other non-combustion/thermal treatment, or
 - _____ Tons/hour, if combustion or thermal treatment
- iii. If landfill, anticipated site life: _____ years

t. Will the proposed action at the site involve the commercial generation, treatment, storage, or disposal of hazardous waste? Yes No

If Yes:

- i. Name(s) of all hazardous wastes or constituents to be generated, handled or managed at facility: _____
- ii. Generally describe processes or activities involving hazardous wastes or constituents: _____
- iii. Specify amount to be handled or generated _____ tons/month
- iv. Describe any proposals for on-site minimization, recycling or reuse of hazardous constituents: _____
- v. Will any hazardous wastes be disposed at an existing offsite hazardous waste facility? Yes No

If Yes: provide name and location of facility: _____

If No: describe proposed management of any hazardous wastes which will not be sent to a hazardous waste facility: _____

E. Site and Setting of Proposed Action

E.1. Land uses on and surrounding the project site

a. Existing land uses.

- i. Check all uses that occur on, adjoining and near the project site.
 - Urban Industrial Commercial Residential (suburban) Rural (non-farm)
 - Forest Agriculture Aquatic Other (specify): high school
- ii. If mix of uses, generally describe: _____

b. Land uses and covertypes on the project site.

Land use or Covertypes	Current Acreage	Acreage After Project Completion	Change (Acres +/-)
• Roads, buildings, and other paved or impervious surfaces	3.93	26.34	+22.41
• Forested	0.53	0	-0.53
• Meadows, grasslands or brushlands (non-agricultural, including abandoned agricultural)	33.81	4.94	-28.87
• Agricultural (includes active orchards, field, greenhouse etc.)	0	0	0
• Surface water features (lakes, ponds, streams, rivers, etc.)	0	0	0
• Wetlands (freshwater or tidal)	0	0	0
• Non-vegetated (bare rock, earth or fill)	0	0	0
• Other Describe: <u>grass, landscaped areas</u>	3.06	10.05	+6.99

c. Is the project site presently used by members of the community for public recreation? Yes No

i. If Yes: explain: _____

d. Are there any facilities serving children, the elderly, people with disabilities (e.g., schools, hospitals, licensed day care centers, or group homes) within 1500 feet of the project site? Yes No

If Yes,

i. Identify Facilities:

John Jay Senior High School

e. Does the project site contain an existing dam? Yes No

If Yes:

i. Dimensions of the dam and impoundment:

- Dam height: _____ feet
- Dam length: _____ feet
- Surface area: _____ acres
- Volume impounded: _____ gallons OR acre-feet

ii. Dam's existing hazard classification: _____

iii. Provide date and summarize results of last inspection:

f. Has the project site ever been used as a municipal, commercial or industrial solid waste management facility, or does the project site adjoin property which is now, or was at one time, used as a solid waste management facility? Yes No

If Yes:

i. Has the facility been formally closed? Yes No

- If yes, cite sources/documentation: _____

ii. Describe the location of the project site relative to the boundaries of the solid waste management facility:

iii. Describe any development constraints due to the prior solid waste activities: _____

g. Have hazardous wastes been generated, treated and/or disposed of at the site, or does the project site adjoin property which is now or was at one time used to commercially treat, store and/or dispose of hazardous waste? Yes No

If Yes:

i. Describe waste(s) handled and waste management activities, including approximate time when activities occurred:

h. Potential contamination history. Has there been a reported spill at the proposed project site, or have any remedial actions been conducted at or adjacent to the proposed site? Yes No

If Yes:

i. Is any portion of the site listed on the NYSDEC Spills Incidents database or Environmental Site Remediation database? Check all that apply: Yes No

Yes – Spills Incidents database

Provide DEC ID number(s): _____

Yes – Environmental Site Remediation database

Provide DEC ID number(s): _____

Neither database

ii. If site has been subject of RCRA corrective activities, describe control measures: _____

iii. Is the project within 2000 feet of any site in the NYSDEC Environmental Site Remediation database? Yes No

If yes, provide DEC ID number(s): 314054

iv. If yes to (i), (ii) or (iii) above, describe current status of site(s):

There are several monitoring wells located on the periphery of the Site (west campus) that are associated with the East Campus. These monitoring wells are only used for gauging purposes.

v. Is the project site subject to an institutional control limiting property uses?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<ul style="list-style-type: none"> • If yes, DEC site ID number: _____ • Describe the type of institutional control (e.g., deed restriction or easement): _____ • Describe any use limitations: _____ • Describe any engineering controls: _____ • Will the project affect the institutional or engineering controls in place? <input type="checkbox"/> Yes <input type="checkbox"/> No • Explain: _____ _____ _____ 	
E.2. Natural Resources On or Near Project Site	
a. What is the average depth to bedrock on the project site? _____	15-20 feet
b. Are there bedrock outcroppings on the project site?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, what proportion of the site is comprised of bedrock outcroppings? _____ %	
c. Predominant soil type(s) present on project site: _____	100 %
_____	%
_____	%
d. What is the average depth to the water table on the project site? Average: _____	
3 to 6 feet	
e. Drainage status of project site soils: <input type="checkbox"/> Well Drained: _____ % of site	
<input checked="" type="checkbox"/> Moderately Well Drained: _____ % of site	
<input checked="" type="checkbox"/> Poorly Drained _____ % of site	
f. Approximate proportion of proposed action site with slopes: <input checked="" type="checkbox"/> 0-10%: _____ % of site	
<input checked="" type="checkbox"/> 10-15%: _____ % of site	
<input checked="" type="checkbox"/> 15% or greater: _____ % of site	
g. Are there any unique geologic features on the project site?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, describe: _____ _____	
h. Surface water features.	
i. Does any portion of the project site contain wetlands or other waterbodies (including streams, rivers, ponds or lakes)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
ii. Do any wetlands or other waterbodies adjoin the project site?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes to either <i>i</i> or <i>ii</i> , continue. If No, skip to E.2.i.	
iii. Are any of the wetlands or waterbodies within or adjoining the project site regulated by any federal, state or local agency?	<input type="checkbox"/> Yes <input type="checkbox"/> No
iv. For each identified regulated wetland and waterbody on the project site, provide the following information:	
<ul style="list-style-type: none"> • Streams: Name _____ Classification _____ • Lakes or Ponds: Name _____ Classification _____ • Wetlands: Name _____ Approximate Size _____ • Wetland No. (if regulated by DEC) _____ 	
v. Are any of the above water bodies listed in the most recent compilation of NYS water quality-impaired waterbodies?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, name of impaired water body/bodies and basis for listing as impaired: _____ _____	
i. Is the project site in a designated Floodway?	<input type="checkbox"/> Yes <input type="checkbox"/> No
j. Is the project site in the 100-year Floodplain?	<input type="checkbox"/> Yes <input type="checkbox"/> No
k. Is the project site in the 500-year Floodplain?	<input type="checkbox"/> Yes <input type="checkbox"/> No
l. Is the project site located over, or immediately adjoining, a primary, principal or sole source aquifer?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes:	
i. Name of aquifer: Principal Aquifer, Primary Aquifer _____	

m. Identify the predominant wildlife species that occupy or use the project site: _____

 Songbirds _____
 Grey Squirrel _____
 White-tailed Deer _____

n. Does the project site contain a designated significant natural community? Yes No
 If Yes: _____ According to the NYSDEC Environmental Resource Mapper
 i. Describe the habitat/community (composition, function, and basis for designation): _____
 the site is located within the vicinity of a significant natural community (floodplain forest), but the significant natural community is not mapped onsite.
 ii. Source(s) of description or evaluation: _____
 iii. Extent of community/habitat: _____
 • Currently: _____ 673.5* acres *Significant natural community not mapped
 • Following completion of project as proposed: _____ 673.5 acres onsite. However, the significant natural
 • Gain or loss (indicate + or -): _____ acres community was previously disturbed by the
 attempted Sportsdome project.

o. Does project site contain any species of plant or animal that is listed by the federal government or NYS as _____ Yes No
 endangered or threatened, or does it contain any areas identified as habitat for an endangered or threatened species?
 If Yes:
 i. Species and listing (endangered or threatened): _____
 Bog Turtle, Indiana Bat - USFWS voluntary consultation is underway

p. Does the project site contain any species of plant or animal that is listed by NYS as rare, or as a species of _____ Yes No
 special concern?
 If Yes:
 i. Species and listing: _____

q. Is the project site or adjoining area currently used for hunting, trapping, fishing or shell fishing? Yes No
 If yes, give a brief description of how the proposed action may affect that use: _____

E.3. Designated Public Resources On or Near Project Site

a. Is the project site, or any portion of it, located in a designated agricultural district certified pursuant to _____ Yes No
 Agriculture and Markets Law, Article 25-AA, Section 303 and 304?
 If Yes, provide county plus district name/number: _____

b. Are agricultural lands consisting of highly productive soils present? Yes No
 i. If Yes: acreage(s) on project site? _____
 ii. Source(s) of soil rating(s): _____

c. Does the project site contain all or part of, or is it substantially contiguous to, a registered National _____ Yes No
 Natural Landmark?
 If Yes:
 i. Nature of the natural landmark: Biological Community Geological Feature
 ii. Provide brief description of landmark, including values behind designation and approximate size/extent: _____

d. Is the project site located in or does it adjoin a state listed Critical Environmental Area? Yes No
 If Yes:
 i. CEA name: _____
 ii. Basis for designation: _____
 iii. Designating agency and date: _____

e. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places? Yes No

If Yes:

i. Nature of historic/archaeological resource: Archaeological Site Historic Building or District

ii. Name: _____

iii. Brief description of attributes on which listing is based: _____

f. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory? Yes No
*Consultation with SHPO will be initiated for the project seeking issuance of a letter of no effect to historic resources.

g. Have additional archaeological or historic site(s) or resources been identified on the project site? Yes No

If Yes:

i. Describe possible resource(s): _____

ii. Basis for identification: _____

h. Is the project site within five miles of any officially designated and publicly accessible federal, state, or local scenic or aesthetic resource? Yes No

If Yes:

i. Identify resource: Taconic State Parkway, Clarence Fahnestock State Park

ii. Nature of, or basis for, designation (e.g., established highway overlook, state or local park, state historic trail or scenic byway, etc.): state scenic byway, state park

iii. Distance between project and resource: _____ +/- 3 miles.

i. Is the project site located within a designated river corridor under the Wild, Scenic and Recreational Rivers Program 6 NYCRR 666? Yes No

If Yes:

i. Identify the name of the river and its designation: _____

ii. Is the activity consistent with development restrictions contained in 6NYCRR Part 666? Yes No

F. Additional Information

Attach any additional information which may be needed to clarify your project.

If you have identified any adverse impacts which could be associated with your proposal, please describe those impacts plus any measures which you propose to avoid or minimize them.

G. Verification

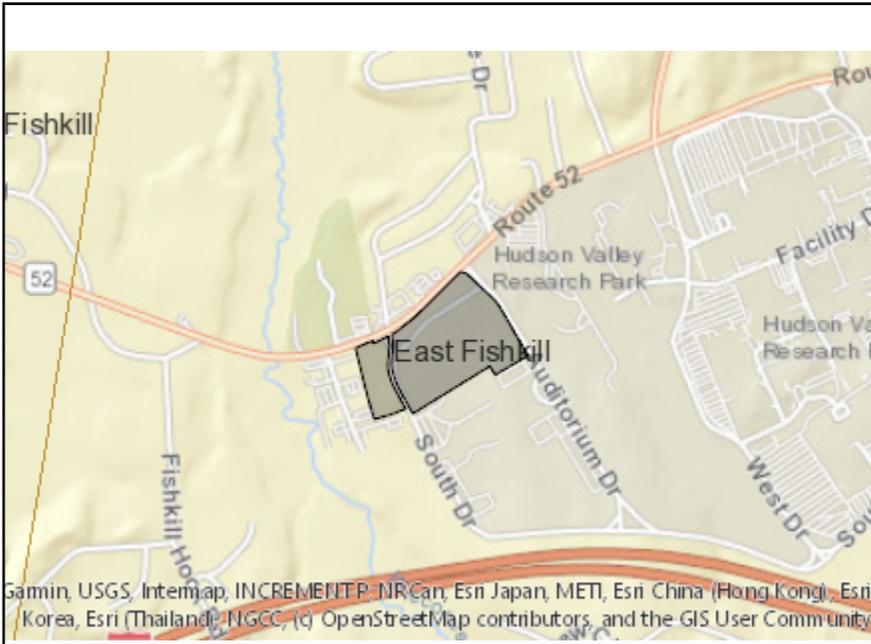
I certify that the information provided is true to the best of my knowledge.

Applicant/Sponsor Name Michael Finan, PE, LEED-AP of Langan on behalf of the applicant Date 6/22/2022

Signature _____ Title Associate Principal/VP

EAF Mapper Summary Report

Monday, June 20, 2022 3:32 PM



Disclaimer: The EAF Mapper is a screening tool intended to assist project sponsors and reviewing agencies in preparing an environmental assessment form (EAF). Not all questions asked in the EAF are answered by the EAF Mapper. Additional information on any EAF question can be obtained by consulting the EAF Workbooks. Although the EAF Mapper provides the most up-to-date digital data available to DEC, you may also need to contact local or other data sources in order to obtain data not provided by the Mapper. Digital data is not a substitute for agency determinations.



B.i.i [Coastal or Waterfront Area]	No
B.i.ii [Local Waterfront Revitalization Area]	No
C.2.b. [Special Planning District]	Digital mapping data are not available or are incomplete. Refer to EAF Workbook.
E.1.h [DEC Spills or Remediation Site - Potential Contamination History]	Digital mapping data are not available or are incomplete. Refer to EAF Workbook.
E.1.h.i [DEC Spills or Remediation Site - Listed]	Digital mapping data are not available or are incomplete. Refer to EAF Workbook.
E.1.h.i [DEC Spills or Remediation Site - Environmental Site Remediation Database]	Digital mapping data are not available or are incomplete. Refer to EAF Workbook.
E.1.h.iii [Within 2,000' of DEC Remediation Site]	Yes
E.1.h.iii [Within 2,000' of DEC Remediation Site - DEC ID]	314054
E.2.g [Unique Geologic Features]	No
E.2.h.i [Surface Water Features]	No
E.2.h.ii [Surface Water Features]	No
E.2.h.iii [Surface Water Features]	No
E.2.h.v [Impaired Water Bodies]	No
E.2.i. [Floodway]	No
E.2.j. [100 Year Floodplain]	No
E.2.k. [500 Year Floodplain]	No
E.2.l. [Aquifers]	Yes
E.2.l. [Aquifer Names]	Principal Aquifer, Primary Aquifer
E.2.n. [Natural Communities]	Yes

E.2.n.i [Natural Communities - Acres]	673.5	Forest
E.2.o. [Endangered or Threatened Species]	Yes	
E.2.o. [Endangered or Threatened Species - Name]	Indiana Bat	*the project site has been previously approved under SEQRA for the Sportsdome site and has been impacted by the start of construction of the Sportsdome structure.
E.2.p. [Rare Plants or Animals]	No	
E.3.a. [Agricultural District]	No	
E.3.c. [National Natural Landmark]	No	
E.3.d [Critical Environmental Area]	No	
E.3.e. [National or State Register of Historic Places or State Eligible Sites]	Digital mapping data are not available or are incomplete. Refer to EAF Workbook.	
E.3.f. [Archeological Sites]	Yes	*the project site has been previously approved under SEQRA for the Sportsdome site and has been impacted by the start of construction of the Sportsdome structure.
E.3.i. [Designated River Corridor]	No	

Attachment 2 – Agency Standard Fee Schedule and other fees

DCIDA Standard Fees

APPLICATION FEE: \$1,000.00

SPECIAL MEETING FEE: \$500.00 per meeting

ADMINISTRATIVE FEE FOR PROJECTS INVOLVING A PILOT:

A. For Industrial Projects (defined as Manufacturing, Distribution, Tech including software and research and development projects)

One percent (1%) of the first \$2.5 million of the estimated project cost and one-quarter of one percent (.25%) for the estimated project in excess of \$2.5 million with a minimum administrative fee of \$25,000.

B. For All other projects including Commercial Projects (defined as Mixed Use, Commercial Housing, Tourism and Retail if permitted)

One percent (1%) of the first \$25 million of the estimated project cost and one-quarter of one percent (.25%) for the estimated project in excess of \$25 million with a minimum administrative fee of \$25,000.

ADMINISTRATIVE FEE FOR PROJECTS INVOLVING SALES TAX AND/OR MORTGAGE RECORDING TAX EXEMPTIONS ONLY, including requests for additional sales tax and mortgage tax benefits:

\$5,000 plus 1% of the benefit amount.

- For active IDA projects that include a PILOT requests for additional sales and mortgage tax benefits whereas the total project cost will increase by \$10,000,000 or more will be subject to the administrative fee with a PILOT schedule.

BOND ISSUANCE FEE: One percent (1%) of the first \$2.5 million of the estimated project cost and one-quarter of one percent (.25%) for the estimated project in excess of \$2.5 million with a minimum of \$25,000.

ANNUAL COMPLIANCE FEE: \$1,000.00 to be billed annually

The fee schedule outlined in this schedule does not include fees and costs related to our counsels' work with respect to your project including the public hearing fees. Applicants are also required to pay for additional fees and costs related to Local Workforce monitoring and special reports/analyses that Board may request related to the project.

All projects are reviewed for its complexity and the Executive Director has the authority to negotiate additional fees to clients for costs associated with unusual situations or extraordinary needs related to the project, including additional costs incurred as result of holding special meetings of the IDA Board. The CEO will present any modifications or additional fees from the fee schedule outlined above to the DCIDA Board for approval.

*Adopted May 12, 2021
Amended January 12, 2022*

Attachment 3 – Additional Community Benefit Definitions

Target Geography

Distressed Census Tract/ Area

Proposed project is located in a distressed census tract or area as defined by New York State. Project owner/applicant will be responsible for showing verification.

High Vacancy Census Tract

Proposed Project is located in a census tract with a vacancy rate of at least fifteen percent (15%), rounded to the nearest percentage point, according to the most recent census data. Project owner/applicant will be responsible for showing verification.

Transit Oriented Development

Proposed Project is located in the municipality's Transit Oriented Development Zone and is consistent with the municipality's development strategy. Project owner/applicant will be responsible for showing verification.

BID

Proposed project is located within the boundaries of the municipality's Business Improvement District. Project owner/applicant will be responsible for showing verification.

Neighborhood Plan

Proposed Project is in response to a municipal's RFP/RFI for a Neighborhood / Community Development Plan. Project owner/applicant will be responsible for showing verification.

Identified Priority

Tax Exempt / Vacant

Proposed project is located on a parcel designated tax exempt prior to the time of purchase by the project owner/ applicant/ and/or an unoccupied parcel(s) of land or building that is at least ninety (90%) vacant. Cases in which a property is vacated for the purpose of pursuing the proposed project may not be considered vacant.

Adaptive Re-use

Project that result in the rehabilitation/renovation of a distressed building or parcel

Community Catalyst

Proposed project contributes to an existing policy or initiative for improving conditions and catalyzing change in the community.

Identified Growth Area

Manufacturing / Distribution

Proposed project must result in the creation, retention or expansion of manufacturing or distribution facilities as well as the creation and/or retention of permanent jobs

Technology

Proposed project must result in the creation, retention or expansion of tech sector facilities as well as the creation and/or retention of permanent jobs

Existing Cluster

Proposed project must result in the creation, retention or expansion of facilities as well as the creation and/or retention of permanent jobs in an existing County cluster, including technology, healthcare, education and hospitality.

Investment

Proposed project invest is the amount in dollars (\$) that will be spent in order to complete the project and includes but is not limited to: acquisition costs, construction hard costs, soft costs, and contingency costs required to complete the project.

Community Commitment

Minority and Woman-Owned Business Enterprise/Disadvantaged Business Enterprise Participation

Proposed project commits that at least twenty percent (20%) of the value of awarded construction of the proposed project is performed by minority or woman – owned operators. Project owner/applicant will be responsible for providing independent third-party verification upon project completion. MWBE/DBE participation goals indicate the percentage (in dollars) of a contract that must be performed by a NYS-certified woman– or minority-owned business enterprise or Federally-certified disadvantaged business enterprise. The goals may be met through an MWBE/DBE prime contractor’s self-performance, a joint venture between an MWBE/DBE and non-MWBE/DBE firm, or through the use of MWBE/DBE subcontractors.

Veteran Utilization

Proposed project commits that at least ten percent (10%) of the workforce employed during construction of the proposed project are veterans. Project owner/applicant will be responsible for providing independent third party verification upon project construction completion.

Workforce / Affordable Housing

Proposed project commits to at least ten percent (10%) of total residential rental units are to be reserved for and/or rented to low-income households as defined by the most recently available U.S. Housing and Urban Development State Income Limits for the term of the Agency financial assistance. Project owner/applicant will be responsible for providing independent third party verification on an annual basis.

Local Workforce

Proposed project commits to at least eighty percent (80%) of construction jobs will be filled by local residents as defined in by the DCIDA Local Workforce Policy. Project owner/applicant will be responsible for providing verification until project construction completion.

Licensed Apprenticeship Program

Proposed project commits to at least fifty percent (50%) of the contractors or subcontractors maintain a New York State certified apprenticeship program. Project owner/applicant will be responsible for providing independent third party verification upon project construction completion.

Public Infrastructure

Proposed project will entail the private construction and installation of infrastructure for public benefit. Project owner/applicant will be responsible for providing independent third party verification upon project completion.

Employment

Permanent Created (New) Job

A created (new) permanent job is a new a position created over and above the business' current baseline. Construction jobs are not considered to be permanent new jobs. Project owner/applicant will be responsible for reporting on an annual basis.

Permanent Retained Job

A permanent retained job is a position that, but for the project investment, would be removed, relocated, or eliminated. Construction jobs are not considered to be permanent retained jobs. Project owner/applicant will be responsible for reporting on an annual basis.

Construction Jobs

A construction job is a position created during the construction phase and for the purpose of completing the project. Project owner/applicant will be responsible for reporting on an annual basis until construction project completion.

Attachment 4

PILOT SCHEDULE SUMMARY

Section 1: PILOT Percentage Schedule

Year	PILOT %
1	90%
2	90%
3	85%
4	85%
5	80%
6	80%
7	70%
8	65%
9	60%
10	55%
11	50%
12	45%
13	40%
14	35%
15	30%

Section 2: Market/Assessed Values

- Land Assessed Value: \$10,000,000.00
- Improvements Assessed Value at 100% Equalization: \$37,100,000.00 (\$70.00/SF at 530,000 SF).
- Total Assessed Value: \$47,100,000.00 (\$88.87/SF)

Section 3: PILOT Timing Structure

A PILOT would be adopted for the project as part of the entitlement process and will run with the land:

- PILOT Prior to Occupancy: Once the building is completed and a TCO is received, the property will be assessed such that taxes will be stipulated at \$0.80psf for a period of up to two years or until 66% occupancy is achieved, whichever comes first. At the present millage rate, this equates to a Total Assessed Value of \$14,500,000.
- PILOT After Occupancy: Once occupancy of 66% or more is achieved, a 15yr-PILOT Schedule will commence at the schedule and assessment values displayed in Sections 1 and 2 above.

Dutchess County Industrial Development Agency

MRB Cost Benefit Calculator



Date: June 29, 2022
 Project Title: 13022203 Hudson Valley Logistics Operator
 Project Location: Town of East Fishkill

Economic Impacts

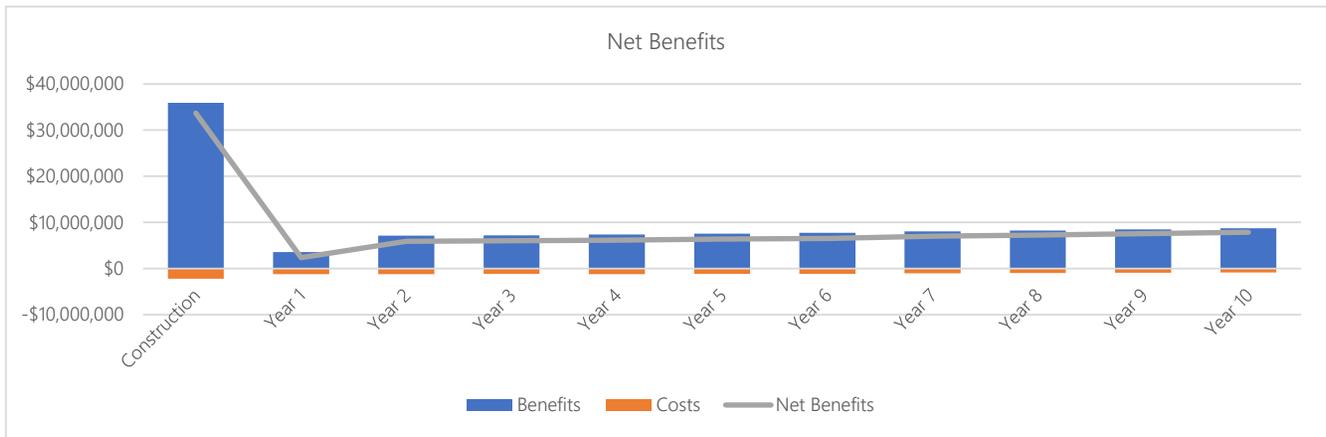
Summary of Economic Impacts over the Life of the PILOT

Project Total Investment
 \$79,500,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	284	130	414
Earnings	\$26,300,939	\$7,617,900	\$33,918,838
Local Spend	\$63,600,000	\$24,461,563	\$88,061,563

Ongoing (Operations) Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	100	27	127
Earnings	\$85,186,209	\$24,360,313	\$109,546,523

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

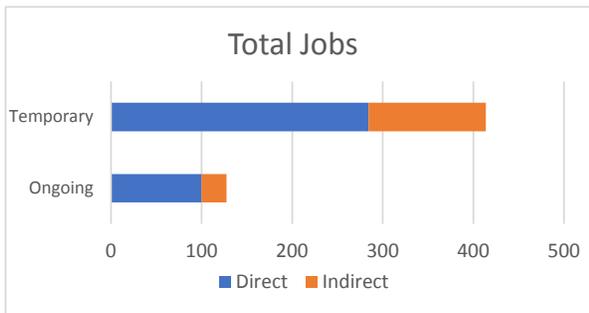
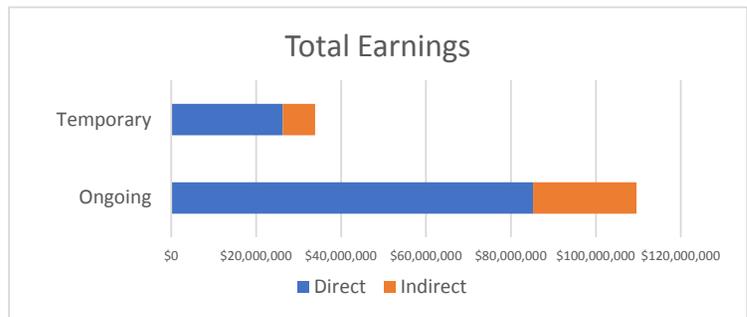


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$14,330,210	\$12,518,626
Sales Tax Exemption	\$1,820,000	\$1,820,000
Local Sales Tax Exemption	\$849,333	\$849,333
State Sales Tax Exemption	\$970,667	\$970,667
Mortgage Recording Tax Exemption	\$387,563	\$387,563
Local Mortgage Recording Tax Exemption	\$129,188	\$129,188
State Mortgage Recording Tax Exemption	\$258,375	\$258,375
Total Costs	\$16,537,773	\$14,726,189

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$150,332,189	\$132,218,661
To Private Individuals	\$143,465,361	\$126,683,176
Temporary Payroll	\$33,918,838	\$33,918,838
Ongoing Payroll	\$109,546,523	\$92,764,337
Other Payments to Private Individuals	\$0	\$0
To the Public	\$6,866,828	\$5,535,485
Increase in Property Tax Revenue	\$5,988,103	\$4,759,551
Temporary Jobs - Sales Tax Revenue	\$207,753	\$207,753
Ongoing Jobs - Sales Tax Revenue	\$670,972	\$568,182
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$7,460,199	\$6,587,525
To the Public	\$7,460,199	\$6,587,525
Temporary Income Tax Revenue	\$1,526,348	\$1,526,348
Ongoing Income Tax Revenue	\$4,929,594	\$4,174,395
Temporary Jobs - Sales Tax Revenue	\$237,432	\$237,432
Ongoing Jobs - Sales Tax Revenue	\$766,826	\$649,350
Total Benefits to State & Region	\$157,792,388	\$138,806,186

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$132,218,661	\$13,497,147	10:1
State	\$6,587,525	\$1,229,042	5:1
Grand Total	\$138,806,186	\$14,726,189	9:1

*Discounted at 2%

Additional Comments from IDA

Hudson Valley Logistics Owner proposes to construct a warehouse and logistics center in East Fishkill

Does the IDA believe that the project can be accomplished in a timely fashion? Yes



Evaluation of Projects Requesting IDA Benefits

Project: CANAM Hudson Valley Logistics Owner, LLC
#13022203

Location: Town of East Fishkill

Type of Business: Logistics and Warehouse

Agency Request

Sales Tax Mortgage Tax Exemption PILOT - deviated

Company Description:

CANAM Hudson Valley Logistics Owner, LLC is a Special Purpose Entity created by USAA Eagle Real Estate Company and its affiliates (including Bluewater) in order to construct a warehouse and logistics center in East Fishkill.

Project Description:

USAF and Bluewater proposes to construct and own a logistics and warehouse facility on the former "sports dome" property in the Town of East Fishkill

The applicant proposes the construction of a The proposed project would develop the property into a warehouse and distribution facility of approximately 530,000 square feet and parking for passenger vehicles and trucks, storm water management, landscaping, site lighting, and other utility infrastructure.

Project Timeline:

Proposed date for commencement of acquisition or construction: 3rd quarter 2022

The actual or expected dates of:

Construction completion: Q1 2024

Occupancy: Q1 2024

Total Cost of Project:

Amount Private Investment

Total Project Cost \$_79,500,000___ Private Investment: \$_79,500,000

Amount of other public financial assistance, grants and source \$_0_

Construction Costs: \$_56,000,000___ Equipment: \$

Company Incentives:

Amount of Sales tax benefits:	\$1,820,000
Amount of Mortgage Recording Tax:	\$387,564
Estimated real property tax exemption with PILOT*	\$14,330,210

Estimated amount of benefit to State & Region*:

Anticipated Property Tax revenue:	\$5,988,103
Anticipated Sales Tax revenue	\$1,882,983
Benefit to Cost Ratio	9:1

**figures based on MRB algorithms*

Estimated Property Value Increase

Current Assessed Value	Current Property Tax (2021)	Estimated New Assessed Value	Net Increase	Est. Year 1 Property Taxes Upon Completion
\$5,000,000	\$155,188	\$47,100,000	\$42,100,000	\$1,790,145

Employment Impact

Committed total FTE jobs: __100__
 Number of existing FTE jobs to be retained __0__
 Total Number of new FTE Jobs to be created __100__ over __2__ years.
 Annualized Average Salary Range of FTE jobs \$_52,600
 Estimated Hourly Wage Average: \$25/hr
 Total Number of Construction Jobs to be created __125__

Jobs created in the Mixed Use Industry is estimated to have the following spillover impact.

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Initial	100	125
Direct	16	21
Indirect	6	7
Induced	12	37
Total Effect	134	190

EMSI Impact Scenario Report 7.1.2022

Community Benefits:

- *Revitalization:* The project is consistent the Town’s requirements and would develop a vacant property in the Town of East Fishkill. In 2014, the Town passed “Local Law 4 2014, a local law regarding economic development special permit which specifically aims to redevelop the site. An abandoned sports dome project currently occupies the site
- *Target Industry:* Manufacturing / Distribution
- *Investment:* The project has an estimated project cost of approximately \$79.5 million.
- *Employment:* The project is committing to the creation of 100 direct permanent jobs and is projected to create 125 direct construction jobs.

- Use of Local Contractor(s) and Labor: Yes No

Project is consistent with Agency's Mission: Yes, the project will promote economic development resulting in construction jobs and permanent employment.

The Project has municipal support:

Municipal Support PILOT

CEO Comments of Importance

The project is speculative and no tenants have been secured at the time of application. The applicant has stated the development and property tax costs are materially higher in Dutchess County compared to neighboring locations. In order to make the property competitive and attractive to end users, the applicant has stated assistance from the DCIDA is necessary. Without the assistance of the DCIDA the project will not be able to proceed.

The applicant has requested a 15 year deviated PILOT. They will be receiving consent for the deviated PILOT concurrently with the Town of East Fishkill planning approval.

Board Member QUESTIONS /COMMENTS

Completed by Board Member _____ Date _____ 202__
Print name _____

Mission Statement:

The Dutchess County Industrial Development Agency [DCIDA] was created to further economic development in Dutchess County by providing financial assistance to private entities through tax incentives including the issuance of bonds to facilitate the building of capital projects with the resultant construction jobs and permanent follow on employment.

**PRELIMINARY RESOLUTION
(CHPE LLC 2022 Project)**

A regular meeting of the Dutchess County Industrial Development Agency was convened in public session on July 13, 2022 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, 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

On motion duly made by [] and seconded by [], 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 CHPE LLC (CHPE LLC 2022 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 CHPE 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, renovating and equipping certain facilities as authorized by the Act; and

WHEREAS, CHPE LLC, a New York limited liability company having offices at 600 Broadway, Albany, New York 12207 (the “**Company**”), has submitted an application to the Agency requesting the Agency provide certain “financial assistance” (within the meaning of the Act) with respect to the Facility (hereinafter defined), including potential exemptions from certain

sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the **“Financial Assistance”**) for the following project (the **“Project”**) consisting of: (a)(1) the acquisition of an interest in the Company’s interim permit and easement issued or to be issued by the New York State Office of General Services (**“OGS”**) in relation to approximately 31 miles of submerged New York State-owned land located within the Hudson River in the Towns of Red Hook, Rhinebeck, Hyde Park, Poughkeepsie, Wappinger, and Fishkill and the City of Poughkeepsie, Dutchess County, New York (collectively, the **“Land”**); (2) the acquisition of two five-inch diameter high-voltage direct current (**“HVDC”**) transmission cables (the **“Equipment”**); and (3) the construction, installation and equipping on or under the Land of a fully-buried, up to 1,250-megawatt (**“MW”**) HVDC electric transmission line and related infrastructure (the **“Improvements”**, and together with the Land and Equipment, the **“Facility”**), all of the foregoing for use by the Company as a portion of an electric transmission line from the U.S.-Canada border to New York City; and (b) the lease of the Facility by the Agency back to the Company; all as contemplated by and in furtherance of the purposes of the Act; and

WHEREAS, the Project includes the following, as they relate to the acquisition, construction, installation, 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 Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with acquisition, construction, installation, and equipping of the Facility; and (ii) purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with acquisition, construction, installation, and equipping of the Facility and installation of the Equipment; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the **“SEQR Act”**) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the **“Regulations”** and collectively with the SEQR Act, **“SEQRA”**), the Agency is required to determine whether the Project may have a significant effect on the environment and therefore require the preparation of an Environmental Impact Statement; and

WHEREAS, pursuant to §617.5(a) and §617.5(c)(44) of the Regulations, actions requiring a certificate of environmental compatibility and public need under Article VII of the Public Service Law constitute **“Type II”** actions and are not subject to review under SEQRA; and

WHEREAS, pursuant to §8-0111 of the SEQR Act, the requirements of SEQRA do not apply to actions subject to the provisions requiring a certificate of environmental compatibility and public need in Article VII of the Public Service Law; and

WHEREAS, the Agency has reviewed the Application and relevant materials in connection with its determination under SEQRA; and

WHEREAS, the Company has provided in its Application that the Project was issued a Certificate of Environmental Compatibility and Public Need under Article VII of the Public Service Law by the Public Service Commission of the State of New York (the **“Public Service Commission”**) and the Company included in the Application a reference to the Public

Service Commission's Order Granting Certificate of Environmental Compatibility and Public Need issued and effective April 18, 2013; and

WHEREAS, the Agency has not yet held hearings pursuant to §859-a of the Act (the "**Hearings**"); 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 for the Project:

- (a) The Project constitutes a "project" within the meaning of the Act;
- (b) The Project is a Type II action under SEQRA and was issued a Certificate of Environmental Compatibility and Public Need under Article VII of the Public Service Law by the Public Service Commission and therefore will not require further SEQRA review by the Agency;
- (b) The Financial Assistance will not result in the abandonment of a facility of the Company located elsewhere in the State of New York;
- (c) The Financial Assistance will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the State of New York and Dutchess County, New York, and improve their standard of living, and thereby serve the public purposes of the Act; and
- (d) The proposed Financial Assistance deviates from the Agency's Uniform Tax Exemption and Criteria Policy.
- (e) 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;
- (b) sublease the Facility to the Company pursuant to agreements 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 mutually acceptable terms regarding payments in lieu of taxes;
- (c) the Agency’s determination that there is satisfactory support from affected tax jurisdictions within which the Facility is located;
- (d) the holding of Hearings pursuant to §859-a of the Act;
- (e) completion of the process to deviate from the Agency’s Uniform Tax Exemption and Criteria Policy; and
- (f) the adoption of an authorizing resolution approving the Financial Assistance.

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. Pursuant to §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, 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, 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, is hereby appointed Transaction Counsel to the Agency in relation to the provisions of Financial Assistance.

8. Counsel to the Agency and Transaction Counsel 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 Project and the provision of Financial Assistance.

9. 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 Agency Counsel: (i) to establish the time, date and place for public hearings of the Agency to hear all persons interested in the Project and the proposed Financial Assistance being contemplated by the Agency with respect to the Project, said public hearings to be held in each city, town and village where the Facility will be located; (ii) to cause notices of such public hearings to be given to the public by publishing such notices in accordance with the applicable provisions of the Act, as well as, at the same time, providing notice of such hearings to the chief executive officer of each affected tax jurisdiction within which the Facility will be located; (iii) to conduct such public hearings or cause such hearings to be conducted by his designee; and (iv) to cause a stenographic transcripts of said public hearings to be promptly prepared and cause copies of said transcripts 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 Agency Counsel to serve as an Assistant Secretary of the Agency for purposes of this project.

11. The Executive Director of the Agency is hereby authorized and directed to send a written notice to the chief executive officers of each affected tax jurisdiction within which the Facility will be located informing them that the Agency is considering a proposed deviation from its Uniform Tax Exemption and Criteria Policy with respect to the Project, the reasons therefor, and soliciting any comments.

12. 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:

Timothy Dean, Chairman

VOTING

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

The Resolution was thereupon declared duly adopted.

Adopted: July 13, 2022

DRAFT

PRELIMINARY AGREEMENT
(CHPE LLC 2022 Project)

THIS PRELIMINARY AGREEMENT (the “**Preliminary Agreement**”), made as of July 13, 2022 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 **CHPE LLC**, a New York limited liability company having offices at 600 Broadway, Albany, New York 12207(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, renovating and equipping certain facilities as authorized by the Act; and

WHEREAS, the Company has submitted an application to the Agency requesting the Agency provide certain “financial assistance” (within the meaning of the Act) with respect to the Facility (hereinafter defined), including potential exemptions from certain sales and use taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “**Financial Assistance**”) for the following project (the “**Project**”) consisting of: (a)(1) the acquisition of an interest in the Company’s interim permit and easement issued or to be issued by the New York State Office of General Services (“**OGS**”) in relation to approximately 31 miles of submerged State-owned land located within the Hudson River in the Towns of Red Hook, Rhinebeck, Hyde Park, Poughkeepsie, Wappinger, and Fishkill and the City of Poughkeepsie, Dutchess County, New York (collectively, the “**Land**”); (2) the acquisition of two five-inch diameter high-voltage direct current (“**HVDC**”) transmission cables (the “**Equipment**”); and (3) the construction, installation and equipping on or under the Land of a fully-buried, up to 1,250-megawatt (“**MW**”) HVDC electric transmission line and related infrastructure (the “**Improvements**”, and together with the Land and Equipment, the “**Facility**”), all of the foregoing for use by the Company as a portion of an electric transmission line from the U.S.-Canada border to New York City; and (b) the lease of the Facility by the Agency back to the Company; all as contemplated by and in furtherance of the purposes of the Act; and

WHEREAS, the Project includes the following, as they relate to the acquisition, construction, installation, 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 Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with acquisition, construction, installation, and equipping of the Facility; and (ii) purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with acquisition, construction, installation, and equipping of the Facility and installation of the Equipment; and

WHEREAS, the Agency has determined that the financing of the Project will promote and further the purposes of the Act; and

WHEREAS, on July 13, 2022, the Agency adopted a Preliminary Resolution (the “**Preliminary Resolution**”) accepting the Project and authorizing 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, and equipping of the Facility and the financing of such costs; and (ii) the 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 acquire a leasehold interest in the Facility and 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) Reserved.

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

(c) The Project will comply with all applicable federal, state, and local laws, ordinance, rules, and regulations and the Company shall obtain 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, a leasehold interest in the Facility.

(b) (i) To the extent the Agency is not defended and indemnified under a policy of insurance maintained by the Company, 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 or alleged 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, any uncontested mechanic's or other liens against the Facility for labor for the acquisition, construction, installation, 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, 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 Project, 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) Reserved.

(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; and (ii) approval of the members of the Agency.

(c) The Company agrees that they 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 Project to be published, the cost of making and transcribing records of said hearings and the reasonable fees and expenses charged and incurred by Agency Counsel (Cappillino, Rothschild & Egan LLP) and Transaction Counsel (Nixon Peabody LLP) 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 shall have been executed no later than fifteen (15) months from the date hereof (or such other date as shall be mutually satisfactory to the Agency and the Company).

[Remainder of Page Intentionally Left Blank. Signature Page Follows].

IN WITNESS WHEREOF, the parties hereto have entered into this Preliminary Agreement as of the 13th day of July, 2022.

DUTCHESS COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Sarah Lee, Executive Director

CHPE LLC

By: _____
Todd Singer, Chief Financial Officer

DRAFT



Ladies and Gentlemen:

Enclosed please find the application of the Dutchess County Industrial Development DCIDA (the "DCIDA"). Please be advised that there is a \$1,000.00 application fee to be paid by the client and to be enclosed with the completed application in order to enable the DCIDA to proceed with the benefit package.

You will receive an Engagement Letter which constitutes an explanation of legal fees and costs related to our counsels' work with respect to your project. This Engagement Letter will require an escrow account of \$5,000.00 and our counsel will invoice you monthly on an hourly rate basis for services rendered and deduct it from the escrow account. Should you terminate the agreement or abandon the project, any unused funds will be returned to you. If you have any questions concerning this matter, please contact me.

I advise you that the DCIDA itself does not lend money. Instead, the DCIDA issues bonds for the benefit of the project applicant. The project applicant must find a purchaser of the bonds and agree as to terms and conditions of repayment, interest rate, interim advances during construction, what securities are to be pledged, etc., just as the project applicant and a lender would in any other secured transaction. On filing an application, the project applicant should be fairly secure in knowing where to obtain the requisite moneys.

No work should be commenced or construction contracts entered into or materials ordered or land purchased if any of these expenses are to be included in the bond issue prior to the DCIDA passing an Inducement Resolution and Agreement with the project applicant after an application is filed. To do so may jeopardize the inclusion of the expense of such item in the bond issue.

In completing the application, please note certain material is requested that is required by statute in order to authorize the issuance of the bonds, to wit: the increased employment and your history as to location and why you are expanding or locating in Dutchess County. The bonds are issued as an inducement in industrial, commercial and warehousing facilities that presently do not exist in Dutchess County, or, if they exist, there is an expansion program contemplated. The bond proceeds cannot be used in any way for refinancing existing mortgages.

Prior to the issuance of IDA benefits (PILOT and/or bonds), the project applicant is required to make an agreement in lieu of taxes with all local taxing authorities and furnish the DCIDA with a certified copy of all of the agreements in lieu of taxes. An issue will not close without this document in place. The processing fees of the DCIDA is one percent (1%) of the first \$25 million of the estimated project cost and one-quarter of one percent (.25%) for the estimated project in excess of \$25 million. Processing fees for industrial and manufacturing projects are one percent

(1%) of the first \$2.5 million of the estimated project cost and one-quarter of one percent (.25%) for the estimated project in excess of \$2.5 million.

The project applicant additionally will be required to pay DCIDA Counsel fees, Bond Counsel fees and other direct expenses of the DC IDA, including, but not limited to, local workforce compliance monitoring fees, special reports and accounting and engineering expenses. The project applicant agrees that such legal fees and other direct expenses of the DC IDA such as publication costs and stenographer's fees are payable separately from the application and processing fees. The above fees will be payable in full on the sale of the bonds. Failure and neglect to proceed to close will result in pro rata tender of billings.

Upon receiving the application in my office, I will convene a meeting of the DCIDA to meet with the principals personally to discuss the application, as now required by DCIDA policy.

Please note that the DCIDA is under no obligation to act favorably on this application, and the project applicant agrees to release the DCIDA, its members, its staff, its successors and assigns from any claim against the DCIDA that may arise from the DCIDA's processing the application or by the DCIDA's either granting or denying the application.

Because the DCIDA is an exempt organization under the Internal Revenue Code of 1986, as amended, I advise you further that certain benefits will accrue during construction, such as the nonpayment of sales taxes on goods purchased for either initial construction or start-up equipment. Furthermore, upon the filing of documents, no mortgage tax will be necessary between the DCIDA and a trustee or bank collecting the moneys during the financing for the repayment of bonds. In accordance with New York State regulations, you are advised that we are obligated to include a "Recapture of Benefit Provision" in our application which details DCIDA procedure to be utilized to recapture benefits given to projects in certain instances.

If I can be of further assistance, please feel free to contact our office.

Very truly yours,

Sarah Lee
Executive Director

Enclosures

PLEASE TAKE NOTICE — The DC IDA in certain respects is subject to the Freedom of Information Law or Sunshine Laws of the State of New York. If there are any confidential matters or negotiations for real property taking place that would be adversely affected by revelation of the particulars to the public or media, it is suggested that this matter be discussed with the DCIDA Counsel or personnel directly and not set forth in the initial application unless required by Bond Counsel for the preparation of the Inducement Resolution. Any financial disclosures of the

project applicant requested should be marked confidential to ensure their attention as confidential documents. Although the DCIDA does not pass on the project applicant's financial ability to pay, which is the bond purchaser's prerogative, the DCIDA does want to know that the project applicant is a viable business enterprise.



Dutchess ● Industrial
County ● Development
● Agency

*To help companies locate here, make needed capital expansion
or grow existing and new jobs.*

3 Neptune Road
Poughkeepsie, NY 12601
Phone: 845.463.5400 Fax: 845.463.0100
Email: info@thinkdutchess.com
www.thinkdutchess.com

APPLICATION FOR FINANCIAL ASSISTANCE



***DCIDA Board and Staff
OFFICERS***

Chairman

Timothy E. Dean

Vice Chairman

Mark Doyle

Secretary/Treasurer

Kathleen M. Bauer

Executive Director

Sarah Lee

Chief Financial Officer

Jane Denbaum

**Compliance Officer/
Records Access Officer**

Jane Denbaum

BOARD OF DIRECTORS

Amy Bombardieri
Kathleen M. Bauer
Timothy E. Dean
Mark Doyle
Ronald J. Piccone II
Don Sagliano
Alfred D. Torreggiani

Counsel

Donald Cappillino
Elizabeth Cappillino

COUNTY GOVERNMENT

County Executive

Marcus J. Molinaro

Dutchess County Office Building 22 Market
Street, Sixth Floor

Poughkeepsie, NY 12601

Tel.# (845) 486-2000(B)

Fax # (845) 486-2021

Email: mmolinaro@dutchessny.gov

This e-mail address is being protected from
spambots.

Dutchess County Legislature

A. Gregg Pulver, Chairman

Dutchess County Office Building 22 Market
Street, Sixth Floor

Poughkeepsie, NY 12601

Tel # (914) 474-0908 (B)

Fax # (845) 486-2113

Email: gpulver@dutchessny.gov

MISSION STATEMENT

The Dutchess County Industrial Development Agency [DCIDA] was created to further economic development in Dutchess County by providing financial assistance to private entities through tax incentives including the issuance of bonds to facilitate the building of capital projects with the resultant construction jobs and permanent follow on employment.

INSTRUCTIONS

I. Application Submission and Application Fees

All applications will be subject to approval of the Dutchess County Industrial Development DCIDA ("DCIDA") and no financial Assistance can be provided, including a sales tax exemption on purchases made prior to DCIDA approval, until the application has been approved.

The DCIDA will not approve any applications unless, in the judgment of the DCIDA, the application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action. The DCIDA may find it necessary to request additional information, should additional information be required the DCIDA will not consider the application complete until all additional information is received.

The DCIDA will not give final approval to this application until the DCIDA receives a completed environmental assessment form concerning the Project.

All projects receiving a benefit greater than \$100,000 are required to have a public hearing inclusive of a 10 day notice before any approval can be granted by the DCIDA.

The DCIDA has established an application fee of \$1,000.00 to cover the anticipated costs of processing the application. A check or money order made payable to the Dutchess County Industrial Development DCIDA (DC IDA) must accompany each application. The Application WILL NOT be accepted by the DCIDA unless accompanied by the application fee.

When completed, return the application to the *Dutchess County IDA, 3 Neptune Road, Poughkeepsie, NY 12601*.

The applicant will be required to pay to the DCIDA the actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the DCIDA's bond issued to finance the project). The Applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the DCIDA. The costs incurred may be considered as part of the bond issue.

The DCIDA has established an administrative fee for each project it engages. Unless the DCIDA agrees in writing to the contrary, the project fee is required to be paid by the applicant at or prior to the granting of any financial assistance by the DCIDA

II. Application Components and Exhibits

The sections below are included in the Application. These make up the required information and documents that must be completed and submitted to the DCIDA in order for your Application to be considered. Failure to provide information may impact your project being considered in a timely manner.

Fill in all blanks, using “none” or “not applicable” or “N/A” where the question is not appropriate to the project which is the subject of this application (the “Project”)

If an estimate is given as an answer to a question, put “est.” after the figure or answer, which is estimated.

If more space is needed to answer any question, please attach a separate sheet.

General Information

Section 1- Applicant Information

Section 2 – Project Description and Details

Section 3 – Project Evaluation & Assistance Framework

Section 4 – Retail Determination

Section 5 – Inter-Municipal Move Determination

Section 6 – Single or Multi-Tenant Determination

Section 7 – Representations, Certifications and Indemnification Forms

Section 8 – Local Workforce Certification Form

Attachment 1 – Environmental Assessment Form (EAF)– An Environmental Assessment must be completed for every project. The Short Environmental Assessment Form is available on the DCIDA Website at <https://thinkdutchess.com/ida/application/>. However in some instances a Long Form EAF may need to be completed.

Attachment 2 - DCIDA Standard Fee Schedule and other Fees

Attachment 3 – Additional Community Benefit Metrics Definition

III. Insurance

Once a project is approved by the DCIDA, insurance will be required. Details of the required insurance will be provided in the DCIDA contracts, in the meantime please note that insurance is to be provided after Board approval but prior to utilization of your IDA benefits. Insurance shall be maintained during the term of any applicable Agent Agreement or Lease Agreement by and between the DCIDA and Project Applicant. Proof of Insurance will be required and requested on an annual basis.

IV. Local Workforce Policy

Construction jobs though limited in time duration, are vital to the overall employment opportunities in Dutchess County.

For projects \$10,000,000 and above, the DCIDA believes that Project Applicants, as a condition to receiving a real property tax abatement also referred to as a Payment in Lieu of Taxes (PILOT) from the Agency, will be required to utilize qualified Workforce for all projects involving the construction, expansion, equipping, demolition and/or remediation of new, existing, expanded or renovated facilities (collectively, the "Project Site").

The Local Area is defined as individuals residing in the following County /Cities /Towns /Villages as well as the following Counties (collectively, the "Local Area"): Columbia County, Dutchess County, Greene County, Orange County, Putnam County, Rockland County, Sullivan County, Ulster County and Westchester County. Companies receiving a PILOT as part of their financial assistance shall ensure that at least 80% of total work hours of the general contractor, subcontractor, or subcontractor to a subcontractor (collectively the "Workers") working on the Project Site must reside within the Local Area. The 80% shall be measured by hours in total at the time of completion of the project. Companies do not have to be local companies as defined herein, but must employ local Workers residing within the Local Area to qualify under the 80% local Workforce criteria.

It is understood that at certain times, Workers residing within the Local Area may not be available with respect to a Project. Under this condition, the Company is required to contact the DCIDA to request a waiver of the Local Utilization Requirement (the "Local Workforce Utilization Waiver Request") waivers may be granted in the following situations (a) Warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers (b) Specialized construction for which qualified Local Workforce Area workers are not available (c) Significant cost differentials in bid prices whereby the use of local Workforce significantly increases the cost of the project. A cost differential of 10% is deemed significant. Every effort should be made by the contractor or applicant to get below the 10% cost differential including, but not limited to, meeting with local construction trade organizations and local contractor associations (d) Documented lack of workers meeting the Local Workforce Area

requirement. The DCIDA shall evaluate the Local Workforce Utilization Waiver Request and make its determination related thereto based upon the supporting documentation received with such waiver request.

V. Recapture of Financial Assistance

In order to better ensure the integrity of the projects that receive Financial Assistance from the DCIDA, has determined that is in the public interest: (a) to ensure the continuity of such project and the jobs created by such projects; (b) ensure the use of local workforce during project construction, expansion, equipping, demolition and/or remediation of new, existing, expanded or renovated facilities (c) to ensure that the investment amount as proposed by the Applicant and approved by the DCIDA is made (d) to ensure that the state and local taxes and use tax exemption benefits are utilized in the amount as so authorized by the DCIDA (e) to ensure the state and local sales and use tax exemptions benefits are only utilized by the company/applicant and its duly appointed agents; (f) to ensure that the state and local sales and use tax are only utilized on the specific project as described in the Application and (g) to ensure that the Company complies with the certain material terms and conditions as determined by the DCIDA. At such time as the Applicant fails to meet the terms of the Agreement including failing to retain and create jobs as represented in the Application a recapture of any or all state and local sales and use tax exemption benefits, mortgage recording tax exemption benefits and real property abatement benefits may be required to be paid by the Applicant.

Details on the DCIDA Policies can be found on the DCIDA Website

(<https://thinkdutchess.com/ida/dcida-public-documents-and-policies/>)

- Maintaining Performance Based incentives for projects granted assistance including a PILOT
- Projects granted assistance without a PILOT.

VI. Submission and Acceptance of the Application for Financial Assistance

Please note that the DCIDA is under no obligation to act favorably on this application, and the project applicant agrees to release the DCIDA, its members, its staff, its successors and assigns from any claim against the DCIDA that may arise from the DCIDA's processing the application or by the DCIDA's either granting or denying the application.

Please note that Article 6 of the Public Officers Law declares that all records in the possession of the DCIDA (with certain limited exceptions) are open to public inspection and copying. Also, as of December 2018, the IDA will post project applications on the Agency's

website. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of Public Officers Law.

General Information

I. Project Identification

Company Name CHPE LLC	FEIN 84-5075255
Address 600 Broadway	Name and Title of Contact Person Josh Bagnato, Vice President - Development
City County Zip Albany 12207	Telephone Number (518) 465-0710
website chpexpress.com	email josh.bagnato@transmissiondevelopers.com
Full Address of the site/location of the proposed project, including County and Zip Code N/A - See Project Supplement	

II Project Request

Please check which type of assistance you are applying for (select all that apply):

Bond Issuance (Tax Exempt / Taxable)		
Straight Lease	X	
Payment in Lieu of Taxes	X	
Sales Tax Exemptions	X	
Mortgage Tax Exemption	X	

III. Authorizing Signature

The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the DCIDA will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the DCIDA's involvement in the Project.

Signature	
Print Name	Todd Singer
Title	Chief Financial Officer
Date	6/21/22

Section 1: Applicant Information

Applicant Background (company receiving benefit)

Please answer all questions. Use "None" or "Not Applicable" or "N/A" where necessary

A. Company Contact (if different from individual completing application)

Name: Josh Bagnato
Title: Vice President - Development
Address: c/o CHPE LLC, 600 Broadway, Albany, NY 12207
Phone: (802) 477-3830 Fax: N/A
Email: josh.bagnato@transmissiondevelopers.com

B. Company Counsel:

Name of Attorney: Peter Swartz
Firm Name: Swartz Moses PLLC
Address: 1583 Genesee St, Skaneateles, NY 13152
Phone: (315) 554-8166 Fax: N/A
Email: phs@swartzmoses.com

C. Form of Business Organization:

- | | |
|---|---|
| <input type="checkbox"/> For-profit corporation | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | <input type="checkbox"/> Limited partnership |
| <input checked="" type="checkbox"/> Limited liability company | <input type="checkbox"/> Sole proprietorship |

If you are a corporation or limited liability company, please provide date and state of incorporation:

March 2, 2020 - New York State

If a foreign corporation or foreign limited liability company, please provide date authorized to do business in New York:

N/A

D. Please list Principal Owners/Officers/Directors

(Principal owners that hold more than 15% equity ownership:

CHPE LLC is 100% owned by TDI-USA Holdings LLC.

If Applicant has a significant relationship with an affiliate company(ies), please list the name and address of such affiliate(s):

See Project Supplement

E. Holding Company

Will a Real Estate Holding Company be utilized to own the Project property/facility? Yes No

What is the name of the Real Estate Holding Company: _____ N/A
Federal Employer ID Number: _____ N/A
State and Year of Incorporation/Organization: _____ N/A
List of stockholders, members, or partners of Applicant: _____ N/A

Describe the terms and conditions of the lease between the applicant and the owner of the property:

See Project Supplement

F. Applicant Business Description: Brief description of company, operations, products and services
Description is critical in determining eligibility. Attach additional pages if needed:

The Applicant develops unique energy transmission projects in an environmentally responsible manner, installing underground or underwater proven high-voltage direct current ("HVDC") cable technology to link renewable generation resources with markets that are seeking new sources of clean power. See chpexpress.com for more detail.

G. Brief Description of Company History (formation, growth, transitions, location):

CHPE LLC is a New York State single-project vehicle company formed in 2020 and named after the Champlain Hudson Power Express transmission line, a project designed to help meet New York State's green energy goals and deliver renewable energy to New York City.

Estimated % of sales within County	0%
Estimated % of sales outside County but within New York State	100%
Estimated % of sales outside NYS but within U.S.	0%
Estimated % of sales outside the US	0%
Total Sales	100%

H. Is or was the Company assisted by DCIDA?

_____ Yes X No

I. Has the company received any state or federal subsidies or program assistance in the last 10 years?

_____ Yes X No

If yes, please list subsidies, program assistance or grants

J. Have you contacted or been contacted by other Economic Development Agencies for this project? If yes, please identify which agencies and what other assistance or assistance sought and the dollar amount that is anticipated to receive. X Yes No

If yes, please list:

In addition to Dutchess County, CHPE LLC is seeking similar PILOT agreements from other Industrial Development Agencies along its project route.

K. If the company is a party to any significant pending or recently concluded litigation (including bankruptcy), please describe:

N/A

L. Is Company in compliance with local, state and federal taxes, workers' protection, and environmental laws?

Yes

M. Please attach a copy of most recent company annual audit.

See Project Supplement

N. Please attach sales and income projections or a project pro forma for next 3 to 5 years.

See Project Supplement

Section 2: Project Description & Details

A. Industry

Please check off the Project's Industry Sector:

- | | |
|---|---|
| <input type="checkbox"/> Natural Resources / Mining | <input type="checkbox"/> Information Technology |
| <input type="checkbox"/> Construction | <input type="checkbox"/> Financial Services |
| <input type="checkbox"/> Utilities | <input type="checkbox"/> Professional / Business Services |
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Education or Healthcare Services |
| <input type="checkbox"/> Wholesale / Retail | <input type="checkbox"/> Leisure and Hospitality |
| <input type="checkbox"/> Transportation /Warehousing | <input type="checkbox"/> Government |
| <input checked="" type="checkbox"/> Other (Please write): <u>Industrial - Transmission Line</u> | |

North American Industrial Classifications Number (NAICS) 221121

B. Project Location

Project Address N/A - Project will be installed underwater in the Hudson River

Section Block Lot (SBL) Number for Property which proposed Project will be located: N/A

Property Tax Jurisdiction:

Municipal: Dutchess County; Towns of Red Hook, Rhinebeck, Hyde Park, Poughkeepsie, Wappinger, and Fishkill; City Poughkeepsie

School District: School districts of Red Hook, Rhinebeck, Hyde Park, Poughkeepsie, Spackenkill, Wappingers, and Beacon

Are the Real Property Taxes current? Yes No

If no, please explain N/A

Utilities: Indicate which, if any, utilities are on site

N/A Water N/A Electric
N/A Gas N/A Sanitary/Storm Water

Does the Applicant or any related entity hold fee title to the Project Site? Yes No

If no, Present legal owner of site: New York State

Does the Applicant or related entity have an option /contract to purchase the Project site? - N/A Yes No

Describe the present use of the proposed Project Site

Waterway; Transportation corridor

The facility consists of a building/space which will be (check as applicable) - N/A

Acquired Constructed
 Renovated Expanded

In the space below briefly describe the proposed project and its purpose (new build, renovations, and equipment purchases). Identify specific uses occurring with the project. Describe any and all tenants and any/all end users. (*Attach detailed information if necessary*).

See Project Supplement

Describe why the DCIDA's financial assistance is necessary and if the applicant is unable to obtain DCIDA financial assistance, what will be the impact on the Applicant and Dutchess County and/or municipality? Would the applicant proceed with the project without DCIDA assistance? (*Attached additional sheets if necessary*).

See Project Supplement

Please confirm by checking the box below if there is a likelihood that the Project would be not undertaken but for the Financial Assistance provided by the DCIDA.

Yes No

If the Project could be undertaken without Financial Assistance provided by the DCIDA, then provide a statement below indicating why the Project should be undertaken by the DCIDA.

See Project Supplement

To the extent the project serves a local market area, is there a recognized and demonstrable need for the products or services the project will provide in the project's market area?

N/A

Is the project compatible with and will significantly assist and enhance all development plans for its area established formally or informally by local, county, state and federal authorities?

Yes, to the extent the Company is aware of such formal and informal plans.

Will the project be incorporating new energy efficiency factors in the design and operation of project? If yes, please elaborate. If no, please explain why it will not.

Yes, energy efficient factors in design and operation will be incorporated to the extent possible. The project is designed to help New York transition to a greener economy and meet statewide climate and emission-reduction targets.

Is the project of a speculative nature?

No

Is this part of a Multi-Phase Project? Yes No

Will the Project include leasing any equipment? - TBD Yes No

C. Zoning of Project Site:

Current N/A

Proposed N/A

Are any variances needed? If so, please list:

No

If a change in zoning/land use is required, please provide the details/status of any request for change in zoning/land use requirements.

N/A

The approximate acreage of the land to be purchased or leased:

N/A

The approximate square footage of the existing building to be purchased or space to be expanded/renovated is:

N/A

The approximate square footage of the planned *new* construction is:

N/A

Please note that the DCIDA cannot provide any financial assistance until the environmental review required under the State Environmental Quality Review Act ("SEQRA") has been completed. Please complete the annexed Short Form Environmental Assessment Form. Based upon the information provided in that form and elsewhere in this application, the DCIDA may require further information regarding potential environmental impacts.

If this project is likely to have a significant adverse impact on the environment (a "Type I" action), then the action is probably required to be reviewed by one or more other state or local agencies, such as a local zoning or land use authority. In that event, the DCIDA generally will not act as "lead DCIDA," and any action by the DCIDA must await completion of the SEQRA review by the other DCIDA. If that is not the case, i.e., if the proposed action is a "Type II" or "unlisted" action under SEQRA, the DCIDA may act independently for SEQRA purposes.

Any known environmental contamination or remediation issues? Yes No

If yes, please list: _____

Has another entity been designated lead agent under the State Environmental Quality Review Act? Yes No

If yes, please explain _____

The DCIDA will not provide any financial assistance to the Project until the environmental findings required under SEQR have been made.

See Attachment 1 to this Application and Project Supplement Section 2(C).

D. Investment (Uses and Sources)

Uses (Facility Costs) Please give an accurate estimate of the costs of all of the following items.
Applicants are encouraged to discuss the project with DCIDA in order to estimate costs.

1. Real Estate (Acquisition cost of land and /or existing structures)	\$ _____
2. New Construction	\$ _____
3. Reconstruction/Renovation/Expansion	_____
4. Infrastructure Work	\$ ~167,000,000
5. Fixed Equipment (Taxable) (Spending that will be subject to sales tax – i.e. machinery and equipment)	\$ _____
6. Other Tax Exempt (non-construction spending that will not be subject to sales tax)	\$ _____
7. Professional Services (Architect, Legal Fees ¹ , Engineering fees)	\$ _____
8. Other Taxable (please specify)	\$ _____
9. Other (please specify)	\$ _____
Estimated Total Project Cost	\$ ~167,000,000

Uses (Financing, Legal, Miscellaneous)

See Project Supplement

	<u>Estimated Fees</u>
IDA Administrative Fees (See page 1)	\$ _____
IDA Counsel	\$ _____
Applicant Counsel	\$ _____
Transaction Counsel	\$ _____
Bond Counsel	\$ _____
Underwriter Counsel	\$ _____
Trustee Counsel	\$ _____
Other Costs of Bond Issue (i.e. printing)	\$ _____
If this is a bond transaction, will you be refunding bonds? And if so state amount here	\$ _____

DCIDA costs such as public hearings and legal notice fees are the responsibility of the Applicant from the time an application is submitted.

E. SOURCES

Amount of equity	\$	TBD
Amount of other conventional financing	\$	TBD
Amount financed by bond issue	\$	0
Public Sources (Include sum total of all state and federal grants and tax credits)*	\$	0
Total Sources of Funds for Project Cost	\$	<u>See Project Supplement</u>

*Identify each state and federal grant/credit

N/A	\$	N/A
_____	\$	_____
_____	\$	_____

F. Project Construction Schedule

What is the proposed date for commencement of acquisition or construction of the Project?
See Project Supplement

Please indicate the actual or expected dates of :

Construction completion: Q4 2025

Occupancy: N/A

Will the company be occupying 100% of the completed facility? Yes No N/A
 If no, will there be tenants in the remaining space? Yes No

- Detailed questions will be asked in Section 5 – Single or Multi-Tenant Determination

Describe any contracts or agreements (options to purchase, purchase contracts, construction contracts, and equipment orders) which have been entered into with respect to the facility. Please note that the DCIDA may not provide benefits to any purchases made prior to the execution of a Letter of Authorization for Sales Tax Exemption.

Contractors have been identified and agreements are currently being negotiated. Further detail can be provided upon request or once such agreements are executed.

Section 3: Project Evaluation and Assistance Framework

All projects must meet the Baseline Requirements to be considered for DC IDA benefits

A. Baseline Requirements (Must Achieve All)

- | | |
|---|--|
| <input type="checkbox"/> Complete Application | <input type="checkbox"/> Meets Project Use Definition |
| <input type="checkbox"/> Meets NYS/DCIDA Requirements | <input type="checkbox"/> “But For” Requirement |
| <input type="checkbox"/> SEQRA / Planning Approval | <input type="checkbox"/> Will Directly Retain or Create Jobs |
| Approval Date: _____ | |

B. Additional Community Benefits

Projects that meet the baseline eligibility requirements and achieves a threshold of at least six (6) community benefit metrics may be considered for a deviation or an enhanced Payment in Lieu of Taxes (PILOT) formula. Detailed definitions of the Community Benefit are included in Attachment 3. Proof of providing additional community benefits may require third party verification. Any projects pledging additional Community Benefits and receiving an enhanced PILOT that fail to meet the requirements may be subject to assistance termination, modification or recapture.

<i>Revitalization</i>	<i>Investment</i>	<i>Employment</i>
Target Geography	Financial Commitment	Permanent Jobs
<input type="checkbox"/> Distressed Census Tract/Area	<input type="checkbox"/> 3 – 10 million	<input type="checkbox"/> 3-40
<input type="checkbox"/> High Vacancy Census Tract	<input type="checkbox"/> 10.1 – 17.5 million	<input type="checkbox"/> 21-80
<input type="checkbox"/> Transit Oriented Development	<input type="checkbox"/> 17.6 – 25 million	<input type="checkbox"/> 81-120
<input type="checkbox"/> BID	<input type="checkbox"/> >25 million	<input type="checkbox"/> 121-180
<input type="checkbox"/> Neighborhood Plan		<input type="checkbox"/> > 180
	Community Commitment	Retained Jobs
Identified Priority	<input type="checkbox"/> MWBE/DBE Participation	<input type="checkbox"/> 3-40
<input type="checkbox"/> Tax Exempt	<input type="checkbox"/> Veteran Participation	<input type="checkbox"/> 21-80
<input type="checkbox"/> Vacant	<input type="checkbox"/> Workforce /Affordable Housing	<input type="checkbox"/> 81-120
<input type="checkbox"/> Adaptive Re-use	<input type="checkbox"/> Local Workforce	<input type="checkbox"/> 121-180
<input type="checkbox"/> Community Catalyst	<input type="checkbox"/> Apprenticeship Program	<input type="checkbox"/> > 180
	<input type="checkbox"/> Public Infrastructure	
Identified Growth Area	Environmental Factors	Construction Jobs
<input type="checkbox"/> Manufacturing / Distribution	<input type="checkbox"/> Resource Conservation	<input type="checkbox"/> 6-80
<input type="checkbox"/> Technology	<input type="checkbox"/> Energy Efficiency	<input type="checkbox"/> 81-160
<input type="checkbox"/> Existing Cluster	<input type="checkbox"/> Green Technology	<input type="checkbox"/> 161-240
	<input type="checkbox"/> Alternative / Renewable Energy	<input type="checkbox"/> >240

C. Project Benefits

Financial Assistance Provided

1. Estimated Sales Tax Exemption[^]

$$\frac{\$ \text{ TBD}}{\text{Amount of Project Cost Subject to Tax}} \times \frac{.08125}{\text{Sales Tax Rate}} = \frac{\$ \text{ See Project Supplement}}{\text{Total}}$$

2. Estimated Mortgage Recording Tax Exemption

$$\frac{\$ \text{ TBD}}{\text{Projected Amount of Mortgage}} \times \frac{.0075}{\text{Mortgage Recording Tax}} = \frac{\$ \text{ See Project Supplement}}{\text{Total}}$$

**As of September 2016, DC IDA cannot exempt the MTA portion of the mortgage recording tax*

3. Estimated Property Tax Abatement

Project Property Value:	N/A
Current Assessed Value:	N/A
Current Property Taxes	N/A
Estimated Property Value after project completion	N/A

Will the Project utilize the DCIDA's Uniform Tax Exemption Formula? Yes No

If no, please describe the real property tax exemption formula and a **justification** (attach additional sheets if necessary)

TBD - PILOT terms have yet to be determined

Estimated tax abatement resulting from this project \$ TBD
(Consult with DCIDA for assistance with this calculation)

[^]Note that the DCIDA may utilize the estimate above as well as the proposed total Project Cost as contained within this application to determine the Financial Assistance that will be offered.

Estimate the projected monthly timeframe for the creation of new permanent jobs at project location

Year 1	1	2	3	4	5	6	7	8	9	10	11	12
Year 2	1	2	3	4	5	6	7	8	9	10	11	12

Use of Local Workforce

The Dutchess County IDA supports the use of local workforce for projects receiving benefits from the DCIDA. Answers to the following questions will assist the DCIDA in evaluating the application.

The Local Workforce Area for **permanent jobs** includes residents in the County/Cities/Towns/Villages as well as the following Counties:, Dutchess County, Orange County, Putnam County, Rockland County, Sullivan County, Ulster County and Westchester County.

If a “local workforce plan” has been developed please include that plan as an addendum to this application.

Estimate the number of residents of the labor workforce area in which the Project is located that will fill the projected new jobs to be created.

TBD

How will the project developer seek out and use the local workforce.

TBD

Projects \$10,000,000 and above, which are receiving a real property tax abatement, are subject to DCIDA’s Local Workforce Policy during the period of construction

The *Labor Workforce Area* for **construction jobs** under the Local Workforce Policy includes residents in the County/Cities/Towns/Villages as well as the following Counties: Columbia County, Dutchess County, Greene County, Orange County, Putnam County, Rockland County, Sullivan County, Ulster County and Westchester County.

How many construction jobs are anticipated to be created? _

See Project Supplement

Section 4: Retail Determination

DCIDA assistance to retail projects (including hotels and restaurants) is subject to certain statutory restrictions.

To ensure compliance with Section 862 of the New York General Municipal Law, the DCIDA requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

1. Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below please complete this section.

Retail Sales Yes No Services Yes No

For purposes of this question, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sales of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law or (ii) sales of a service to customers who personally visit the Project.

2. Will any portion of the project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in makes sales of good or services to customers who personally visit the project site?

Yes No If yes, please continue. If no, proceed to the next section

3. What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? _____% If the answer is less than 33% than proceed to the next section.

If the answer to question 2 is Yes and the answer to question 3 is greater than 33% indicate which of the following questions following apply to the project:

Is the project location or facility likely to attract a significant number of visitors from outside Dutchess County?

Yes No

If yes, please provide a third party market analysis or other documentation supporting your response.

Is the predominant purpose of the project to make available goods and services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

Yes No

If yes, please provide a third party market analysis or other documentation supporting your response.

Will the project preserve permanent, private sector jobs or increase the overall number of permanent private sector jobs in New York State?

Yes No If yes, please explain _____

Is the project located in a Highly Distressed Area?

Yes No

Section 5 – Inter-Municipal Move Determination

Will the project result in the removal of a plant or facility of the Applicant from one area of the State of New York to another area of the State of New York:

Yes No

Will the project result in the removal of a plant or facility of *another proposed occupant* of the Project from one area of the State of New York to another area of the State of New York?

Yes No

Will the Project result in the abandonment of one or more plants or facilities located in the State of New York?

Yes No

If the answer to either of the foregoing questions in this subpart is positive, please explain in detail, on as many separate sheets as necessary, the reasons for the relocation, abandonment or closure, including, without limitation, (i) any considerations regarding the applicant’s (or other occupant’s) ability to remain competitive in its industry, and (ii) any consideration which has been given to relocating to any location outside the State of New York.

N/A

Please note that the DCIDA may ask you to provide additional information regarding the foregoing, including documentary support

Section 6 – Single or Multi-Tenant Determination

Permissible projects are defined in the NYS General Municipal Law and the IDA may not be able to grant financial assistance to all tenants of a multi-tenant project. To assist in that determination please complete the following section.

Please note if the tenant qualifies as a permissible project, the Project Applicant will be responsible for collecting the required reporting information from the tenant(s).

Please explain what market conditions support the construction of this multi-tenant facility:

N/A

Have any tenant leases been entered into for this project?

___ Yes ___ No

If yes, please list below and provide square footage to be leased to tenant and NAICS code for tenant and nature of business. (Attach additional sheets if necessary)

Tenant Name	Current Location (city, state, zip)	# of sq.ft leased	% of total to be occupied at project location	NAICS and business description (type of business, products, etc)

Section 7 – Representations, Certifications and Indemnification Forms

**New York State
Applicant Requirements
For Industrial Development Agencies**

The Applicant has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the DCIDA and as follows:

1. Absence of Conflicts of Interest

The Applicant has received from the DCIDA a list of the members, officers and employees of the DCIDA. No member, officers or employees of the DCIDA has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

N/A

2. Job Listing

In accordance with Section 858-b(2) of the New York General Municipal Law, Applicant understands and agrees that, if the Project receives any Financial Assistance from the DCIDA, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed within the New York State Department of Labor, Division of Employment and Workforce Solutions (the DOL) and with the American Job Center of the service delivery area created by the federal Workforce Innovation and Opportunity Act (WIOA) in which the Project is located.

3. First Consideration for Employment

In accordance with Section 858-b (2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the DCIDA, except as otherwise provided by collective bargaining agreements, where applicable, the Applicant will first consider persons eligible to participate in WIOA programs who shall be referred by the American Job Center for new employment opportunities created as a result of the Project.

4. Annual Employment Reports

The Applicant understands and agrees that, if the Project receives any Financial Assistance from the DCIDA, the Applicant agrees to file, or cause to be filed, with the DCIDA, on an annual basis, reports regarding the number of people employed at the project site, salary levels and such other information as part of the DCIDA's Employment Report.

5. Fees

This obligation includes an obligation to submit DCIDA Fee Payment to the DCIDA in accordance with the DCIDA Fee policy effective as of the date of this Application.

6. Freedom of Information Law (FOIL)

The Applicant acknowledges that the DCIDA is subject to New York State's Freedom of Information Law (FOIL). Applicants understand that all project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.

7. Recapture Policy

The applicant acknowledges that it has been provided with a copy of the DCIDA's *Policy on Maintaining Performance Based Incentives*. The Applicant agrees that it fully understands the Policy on Maintaining Performance Based Incentives is applicable to the Project that is the subject of this application and the DCIDA may implement the Policy if and when it is required to do so.

Financial Reporting Requirements

Chapter 692 of the Laws of 1989 requires additional financial reporting requirements from all IDA's in New York State.

8. Sales Tax

Section 874(8) of the New York general Municipal Law requires all entities appointed as agents of the DCIDA for sales tax purposes to file an annual form, as prescribed by the New York State Department of Taxation, describing the value of sales tax exemptions claimed by the Applicant and all its subagents, consultants, or subcontractors. Copies of all filings shall be provided to the DCIDA.

The Applicant hereby agrees to complete "ST-60, IDA Appointment of Project Operator or Agent for Sales Tax Purposes" for itself and each agent, subagent, contractor, subcontractor, contractors or subcontractors of such agents and subagents and to such other parties as the Applicant chooses who provide materials, equipment, supplies or services and deliver said form to the DCIDA within fifteen (15) days of appointment such that the DCIDA can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment.

9. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§862 Restrictions on funds of the DCIDA. (1) No funds of the DCIDA shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the DCIDA shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

10. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations

11. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18A of the New York General Municipal Law, including, but not limited to, the provisions of Section 859a and Section 862(1) of the New York General Municipal Law.

12. Bonds

a. All bonds issued, outstanding or retired during the year must indicate the following:

Month and year issued; Interest rate at year end; outstanding beginning of year; issued during year; principal payments during year; outstanding at end of year; and final maturity date. This information will be requested from you in January of each year.

b. All new bonds issued need the following supplemental information:

Name of the project; tax exemptions separated by State and local sales tax, County and school taxes; Mortgages recording; Payments in lieu of taxes; New tax revenue if no exemption is granted; number of jobs created and other economic benefits. This information is required each year and will be requested from you in September of each year.

Signature	
Print Name	Todd Singer
Title	Chief Financial Officer
Date	6/21/22

HOLD HARMLESS AGREEMENT

Applicant hereby releases the Dutchess County Industrial Development DCIDA and its members, officers, servants, agents and employees thereof (the "DCIDA") from, agrees that the DCIDA shall not be liable for and agrees to indemnify, defend and hold the DCIDA harmless from and against any and all liability arising from or expense incurred by (A) the DCIDA's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the DCIDA, (B) the DCIDA's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the DCIDA with respect to the Project; including and without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the DCIDA or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the DCIDA, its agents or assigns, all costs incurred by the DCIDA in the processing of the Application, including attorneys' fees, if any. The DCIDA reserves the right at any time, as a condition to further consideration of this application, to require reimbursement of any such costs incurred, or to require a deposit against such costs and to apply such deposit to the DCIDA's costs as incurred.

Signature



Print Name

Todd Singer

Title

Chief Financial Officer

Date

6/21/22

To Be Completed for Bond Financing only

2) Bond Information

1. State Bond Issuance Fees: N.Y. Public Authorities Law §2976(2) levies upon the DCIDA the following (which amount must be paid to the DCIDA by the applicant):

<u>Principal Amount of Bonds</u>	<u>Percentage Fees</u>
\$1,000,000 or less	.168
\$1,000,000 to \$ 5,000,000	.336
\$5,000,001 to \$ 10,000,000	.504
\$10,000,001 to 20,000,000	.672
More than \$20,000,000	.084

2. Total Funds Required _____ Estimated Term _____

3. Indicate the date by which the proceeds of the DCIDA's bonds, if issued will be needed

Date Required _____

3) Certification

To Be Completed for Bond Financing only

_____ deposes and says that he/she is
(Name of Officer of Company submitting application)

the _____ of _____
(Title) (Company Name)

The corporation named in the attached application; that he/she has read the forgoing application and knows the contents thereof; that the same is true to his/her knowledge.

Deponent further says that the reason this verification is being made by the deponent and not by

_____ is because the said Company is a Corporation.
(Company Name)

The grounds of deponent's belief relative to all matters in the said application which are not stated upon his/her own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his/her duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the "applicant"), deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the Dutchess County Industrial Development DCIDA (hereinafter referred to as the "DCIDA") acting on behalf of the applicant during the attendant negotiations and leading to the issue of bonds. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified time to take reasonable, proper, or request action, or withdraws, abandons, cancels, or neglects the application, or if the DCIDA or applicant are unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, applicant shall pay to the DCIDA, its' agents, or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees of bond counsel for the DCIDA and fees of general counsel for the DCIDA.* Upon successful conclusion and sale of the required bond issue, the applicant shall pay to the DCIDA an administrative fee set by the DCIDA.

(Chief Officer of Company submitting)

Print Name _____ Title _____

Date _____

NOTARY: Sworn to me before this _____ day of _____, 20 _____

*Applicant is responsible for payment of any State Bond Issuance Fees.

Notary Public (Please Affix Stamp)

Section 8 - Local Workforce Utilization Policy and Certification

Construction jobs, though limited in time duration, are vital to the overall employment opportunities in Dutchess County. The Dutchess County Industrial Development Agency (the “Agency”) has determined that Project Applicants (the “Company”), as a condition to receiving a real property tax abatement also referred to a Payment in Lieu of Taxes (PILOT) from the Agency, will be required to utilize qualified Workforce, as defined below, for all projects involving the construction, expansion, equipping, demolition and/or remediation of new, existing, expanded or renovated facilities (collectively, the “Project Site”).

For Projects \$10,000,000 and Above Receiving a Real Property Tax Abatement

Local Area Defined

For projects equal to or greater than \$10,000,000 the Local Area is defined as individuals residing in the following Counties (collectively, the “Local Area”): Columbia County, Dutchess County, Greene County, Orange County, Putnam County, Rockland County, Sullivan County, Ulster County and Westchester County.

Local Workforce Requirement

Companies receiving a PILOT as part of their financial assistance shall ensure that at least 80% of total work hours of the general contractor, subcontractor, or subcontractor to a subcontractor (collectively the “Workers”) working on the Project Site must reside within the Local Area. The 80% shall be measured by hours in total at the time of completion of the project. Companies do not have to be local companies as defined herein, but must employ local Workers residing within the Local Area to qualify under the 80% local Workforce criteria.

Local Workforce Reporting Requirement

The Local Workforce criteria will be verified based on employment, payroll and related records.

In addition, the Agency, or its designated agents, shall have the right, during normal business hours, to examine and copy records of the Company and to perform spot checks of all Workers at the Project Site to verify compliance with the Local Workforce requirement throughout the construction period.

Enforcement

If Agency staff determines that: (1) The Local Workforce Requirement is not being met; or (2) Agency Staff, upon use of its reasonable discretion, discovers or becomes aware of a compliance issue related to the Local Workforce Requirement, then a written warning delivered by Certified Mail of said Local Workforce Requirement violation (the “Warning of Violation”) shall be provided to the Company.

In the event a subsequent violation of the policy has occurred, then written notice delivered by Certified Mail of said Local Workforce Requirement violation (the “Notice of Violation”) shall be provided to the Company and the Executive Director shall bring the information to the Board of Directors which may, in its discretion, take action to revoke IDA benefits.

The Company has the primary obligation for the adherence to all the conditions of this policy. This obligation cannot be relieved, evaded or diminished by assigning a Contractor or through subcontracting. Should the project applicant assign a Contractor, the Company shall continue to have primary obligation.

Projects with multiple phases or projects with multiple owner entities will be considered in whole during the enforcement period.

Waiver Request

It is understood that at certain times, Workers residing within the Local Area may not be available with respect to a Project. Under this condition, the Company is required to contact the Agency to request a waiver of the Local Utilization Requirement (the “Local Workforce Utilization Waiver Request”) based on the following circumstances:

- Warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers
- Specialized construction for which qualified Local Workforce Area workers are not available;
- Significant cost differentials in bid prices whereby the use of local Workforce significantly increases the cost of the project. A cost differential of 10% is deemed significant. Every effort should be made by the contractor or applicant to get below the 10% cost differential including, but not limited to, meeting with local construction trade organizations and local contractor associations
- Documented lack of workers meeting the Local Workforce Area requirement

The Agency shall evaluate the Local Workforce Utilization Waiver Request and make its determination related thereto based upon the supporting documentation received with such waiver request.

The foregoing terms have been read, reviewed and understood by the Company and all appropriate personnel. The undersigned agrees and understands that the information contained herein must be transmitted and conveyed in a timely fashion to all applicable subcontractors, suppliers and materialmen. Furthermore, the undersigned realizes and understands that failure to abide by the terms herein could result in the Agency revoking all or any portion of Financial Assistance, whether already received or to be received by the Company, as it deems reasonable in its sole discretion for any violation hereof.

CHPE LLC

Name of Company



Name: Todd Singer

Chief Financial Officer

Title

Attachment 1 - Short Environmental Assessment Form

Please complete a Short Form Environmental Assessment Form (<https://www.dec.ny.gov/permits/6191.html>) . Based upon the information provided in that form and elsewhere in this application, the DCIDA may require further information regarding potential environmental impacts.

If this project is likely to have a significant adverse impact on the environment (a “Type I” action), then the action is probably required to be reviewed by one or more other state or local agencies, such as a local zoning or land use authority. In that event, the DCIDA generally will not act as “lead DCIDA,” and any action by the DCIDA must await completion of the SEQRA review by the other DCIDA. If that is not the case, i.e., if the proposed action is a “Type II” or “unlisted” action under SEQRA, the DCIDA may act independently for SEQRA purposes.

**The Project is permitted under New York Public Service Law Article VII, and as such is a Type II action under SEQRA, requiring no further review. A copy of the certificate from the New York Public Service Commission is available at <https://chpexpress.com/wp-content/uploads/2020/03/permit-PSC.pdf>*

Attachment 2 – Agency Standard Fee Schedule and other fees

DCIDA Standard Fees

APPLICATION FEE: \$1,000.00

SPECIAL MEETING FEE: \$500.00 per meeting

ADMINISTRATIVE FEE FOR PROJECTS INVOLVING A PILOT:

A. For Industrial Projects (defined as Manufacturing, Distribution, Tech including software and research and development projects)

One percent (1%) of the first \$2.5 million of the estimated project cost and one-quarter of one percent (.25%) for the estimated project in excess of \$2.5 million with a minimum administrative fee of \$25,000.

B. For All other projects including Commercial Projects (defined as Mixed Use, Commercial Housing, Tourism and Retail if permitted)

One percent (1%) of the first \$25 million of the estimated project cost and one-quarter of one percent (.25%) for the estimated project in excess of \$25 million with a minimum administrative fee of \$25,000.

ADMINISTRATIVE FEE FOR PROJECTS INVOLVING SALES TAX AND/OR MORTGAGE RECORDING TAX EXEMPTIONS ONLY, including requests for additional sales tax and mortgage tax benefits:

\$5,000 plus 1% of the benefit amount.

- For active IDA projects that include a PILOT requests for additional sales and mortgage tax benefits whereas the total project cost will increase by \$10,000,000 or more will be subject to the administrative fee with a PILOT schedule.

BOND ISSUANCE FEE: One percent (1%) of the first \$2.5 million of the estimated project cost and one-quarter of one percent (.25%) for the estimated project in excess of \$2.5 million with a minimum of \$25,000.

ANNUAL COMPLIANCE FEE: \$1,000.00 to be billed annually

The fee schedule outlined in this schedule does not include fees and costs related to our counsels' work with respect to your project including the public hearing fees. Applicants are also required to pay for additional fees and costs related to Local Workforce monitoring and special reports/analyses that Board may request related to the project.

All projects are reviewed for its complexity and the Executive Director has the authority to negotiate additional fees to clients for costs associated with unusual situations or extraordinary needs related to the project, including additional costs incurred as result of holding special meetings of the IDA Board. The CEO will present any modifications or additional fees from the fee schedule outlined above to the DCIDA Board for approval.

*Adopted May 12, 2021
Amended January 12, 2022*

Attachment 3 – Additional Community Benefit Definitions

Target Geography

Distressed Census Tract/ Area

Proposed project is located in a distressed census tract or area as defined by New York State. Project owner/applicant will be responsible for showing verification.

High Vacancy Census Tract

Proposed Project is located in a census tract with a vacancy rate of at least fifteen percent (15%), rounded to the nearest percentage point, according to the most recent census data. Project owner/applicant will be responsible for showing verification.

Transit Oriented Development

Proposed Project is located in the municipality's Transit Oriented Development Zone and is consistent with the municipality's development strategy. Project owner/applicant will be responsible for showing verification.

BID

Proposed project is located within the boundaries of the municipality's Business Improvement District. Project owner/applicant will be responsible for showing verification.

Neighborhood Plan

Proposed Project is in response to a municipal's RFP/RFI for a Neighborhood / Community Development Plan. Project owner/applicant will be responsible for showing verification.

Identified Priority

Tax Exempt / Vacant

Proposed project is located on a parcel designated tax exempt prior to the time of purchase by the project owner/ applicant/ and/or an unoccupied parcel(s) of land or building that is at least ninety (90%) vacant. Cases in which a property is vacated for the purpose of pursuing the proposed project may not be considered vacant.

Adaptive Re-use

Project that result in the rehabilitation/renovation of a distressed building or parcel

Community Catalyst

Proposed project contributes to an existing policy or initiative for improving conditions and catalyzing change in the community.

Identified Growth Area

Manufacturing / Distribution

Proposed project must result in the creation, retention or expansion of manufacturing or distribution facilities as well as the creation and/or retention of permanent jobs

Technology

Proposed project must result in the creation, retention or expansion of tech sector facilities as well as the creation and/or retention of permanent jobs

Existing Cluster

Proposed project must result in the creation, retention or expansion of facilities as well as the creation and/or retention of permanent jobs in an existing County cluster, including technology, healthcare, education and hospitality.

Investment

Proposed project invest is the amount in dollars (\$) that will be spent in order to complete the project and includes but is not limited to: acquisition costs, construction hard costs, soft costs, and contingency costs required to complete the project.

Community Commitment

Minority and Woman-Owned Business Enterprise/Disadvantaged Business Enterprise Participation

Proposed project commits that at least twenty percent (20%) of the value of awarded construction of the proposed project is performed by minority or woman – owned operators. Project owner/applicant will be responsible for providing independent third-party verification upon project completion. MWBE/DBE participation goals indicate the percentage (in dollars) of a contract that must be performed by a NYS-certified woman– or minority-owned business enterprise or Federally-certified disadvantaged business enterprise. The goals may be met through an MWBE/DBE prime contractor’s self-performance, a joint venture between an MWBE/DBE and non-MWBE/DBE firm, or through the use of MWBE/DBE subcontractors.

Veteran Utilization

Proposed project commits that at least ten percent (10%) of the workforce employed during construction of the proposed project are veterans. Project owner/applicant will be responsible for providing independent third party verification upon project construction completion.

Workforce / Affordable Housing

Proposed project commits to at least ten percent (10%) of total residential rental units are to be reserved for and/or rented to low-income households as defined by the most recently available U.S. Housing and Urban Development State Income Limits for the term of the Agency financial assistance. Project owner/applicant will be responsible for providing independent third party verification on an annual basis.

Local Workforce

Proposed project commits to at least eighty percent (80%) of construction jobs will be filled by local residents as defined in by the DCIDA Local Workforce Policy. Project owner/applicant will be responsible for providing verification until project construction completion.

Licensed Apprenticeship Program

Proposed project commits to at least fifty percent (50%) of the contractors or subcontractors maintain a New York State certified apprenticeship program. Project owner/applicant will be responsible for providing independent third party verification upon project construction completion.

Public Infrastructure

Proposed project will entail the private construction and installation of infrastructure for public benefit. Project owner/applicant will be responsible for providing independent third party verification upon project completion.

Employment

Permanent Created (New) Job

A created (new) permanent job is a new a position created over and above the business' current baseline. Construction jobs are not considered to be permanent new jobs. Project owner/applicant will be responsible for reporting on an annual basis.

Permanent Retained Job

A permanent retained job is a position that, but for the project investment, would be removed, relocated, or eliminated. Construction jobs are not considered to be permanent retained jobs. Project owner/applicant will be responsible for reporting on an annual basis.

Construction Jobs

A construction job is a position created during the construction phase and for the purpose of completing the project. Project owner/applicant will be responsible for reporting on an annual basis until construction project completion.

CHPE LLC, or its designee (the “*Company*”)
Project Supplement to Application for Financial Assistance to
Dutchess County Industrial Development Agency (the “*Agency*”)

General Information

I. Project Identification:

Full Address of the site/location of the proposed project, including County and Zip Code (Page 7)

See Map attached hereto as Exhibit 1. In Dutchess County, the project will travel ~31 miles and be buried underwater in the Hudson River.

Section 1: Applicant Information

D. Please list Principal Owners/Officers/Directors

If Applicant has a significant relationship with an affiliate company(ies), please list the name and address of such affiliate(s). (Page 9)

CHPE LLC, a New York State entity, is 100% owned by TDI-USA Holdings LLC, a Delaware entity. TDI-USA Holdings LLC is ~89% owned by New York Clean Power Holdings LLC, which is 100% owned by Blackstone Inc. (NYSE: BX) (“*Blackstone*”); ~9% owned by Transmission Developers, Inc., a Canadian corporation; and ~2% owned by National Resources Energy LLC. See the corporate structure provided in Exhibit 2 of this Project Supplement.

E. Holding Company

Describe the terms and conditions of the lease between the applicant and the owner of the property. (Page 9)

In Dutchess County, the project will be installed within the Hudson River, a New York State-owned waterway, via the issuance of a construction permit and an eventual Easement (“*OGS Easement*”) that will be granted by the New York State Office of General Services (“*OGS*”). OGS issued a conditional approval for the project in March 2021.

M. Please attach a copy of most recent company annual audit. (Page 10)

N/A - The Company does not have audited financials.

N. Please attach sales and income projections or a project pro forma for next 3 to 5 years. (Page 10)

N/A - Commercial contracts for the power to be transmitted by the Project do not yet exist.

Section 2: Project Description & Details

B. Project Location

Describe the proposed project and its purpose (new build, renovations, and equipment purchases). Identify specific uses occurring with the project. Describe any and all tenants and any/all end users. (Page 12)

The project covered by this Application (the “*Project*”) will consist of: (a)(1) the acquisition of an interest in the Company’s interim permit and easement issued or to be issued by the New York State

CHPE LLC, or its designee (the “*Company*”)
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Office of General Services (“*OGS*”) in relation to submerged State-owned land located in the Towns of Red Hook, Rhinebeck, Hyde Park, Poughkeepsie, Wappinger, and Fishkill and the City of Poughkeepsie, Dutchess County, New York (collectively, the “*Land*”), (2) the acquisition of two five-inch diameter high-voltage direct current (“*HVDC*”) transmission cables (the “*Equipment*”), and (3) the construction, installation and equipping on or under the Land of a fully-buried, up to 1,250-megawatt (“*MW*”) HVDC electric transmission line and related infrastructure (the “*Improvements*”, and together with the Land and Equipment, the “*Project Facility*”), all of the foregoing for use by the Company as a portion of an electric transmission line from the U.S.-Canada border to New York City, (b) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including exemptions from sales and use taxes, mortgage recording taxes, and real property taxes for the Project Facility (but not including special district taxes) (collectively, the “*Financial Assistance*”); and (c) the lease of the Project Facility by the Agency back to the Company; all as contemplated by and in furtherance of the purposes of the General Municipal Law.

The Project is the Dutchess County portion of a fully-buried, HVDC electric transmission line from the U.S.-Canada border to New York City (the “*Transmission System*”) that will be up to 1,250-MW. The Transmission System will play a key role in New York’s energy transformation, lowering greenhouse gas emissions, creating jobs, and generating billions of dollars in new investment in New York’s economy while delivering low-cost renewable energy to New York State.

Describe why the DCIDA’s financial assistance is necessary and if the applicant is unable to obtain DCIDA financial assistance, what will be the impact on the Applicant and Dutchess County and/or municipality? Would the applicant proceed with the project without DCIDA assistance? (Page 12)

If the Project could be undertaken without Financial Assistance provided by the DCIDA, then provide a statement below indicating why the Project should be undertaken by the DCIDA. (Page 13)

In response to the competitive, large-scale renewable energy Tier 4 solicitation issued by the New York State Energy Research & Development Authority (“*NYSERDA*”) in January 2021, the Champlain Hudson Power Express (“*CHPE*”) was selected for a contract award and is expected to begin delivering clean hydropower to New York City as soon as 2025. To meet this expectation as well as the pricing and economic benefits contained in the bid submission, financial assistance from the Agency is necessary.

The value proposition of the Transmission System to its customers is largely based on a guaranteed, predictable, price over a 30-year period. Consequently, annual operating costs, including tax responsibilities, must be predictable over the 30-year term of its financing for the Project to be viable and financeable. As a merchant transmission line, the Transmission System consequently cannot rely on captive ratepayers to absorb its costs. Key considerations for the Project and the Transmission System include:

- Need for broad-based cost certainty, including:
 - Operating expenses: Property taxes will be significant and would be uncertain, and long-term certainty is required for project viability and financing.
 - High and increasing transmission cable costs.
 - High and unpredictable installation costs due to fluctuating labor and commodity markets, and cost risks associated with underground installation.

CHPE LLC, or its designee (the “*Company*”)
Project Supplement to Application for Financial Assistance to
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- Financing costs: Project difficult to finance with uncertain operating expenses; risk of rising interest rates and future financial market uncertainty.
- Because of the high number of tax jurisdictions along the route (including in Dutchess County), if PILOTs are not utilized, uniformity of treatment and long-term certainty associated with the tax obligations of the project cannot be achieved.
 - Dutchess County: 15 tax jurisdictions (one county, one city, six towns and seven school districts)¹
 - Entire route: More than 150 tax jurisdictions (15 counties, 5 cities, 60 towns, 11 villages, and 60 school districts)
- Fixed, market-competitive pricing must be offered to execute commercial agreements required to finance and construct the project.
- PILOT facilitates the Transmission System’s viability and financing, which helps achieve NY State environmental mandates and goals.
- Project provides long-term and predictable Agency and tax jurisdiction benefits for the region from an “invisible” project with no use of public infrastructure or services.
- Helps provide uniformity of treatment across affected tax jurisdictions in NY State (i.e., creates a fair, efficient, streamlined process which enables the Company to reach agreements benefitting the multitude of tax jurisdictions). The only anticipated variability will be to account for the lower construction impacts in counties where (and to the extent) the cable will be installed underwater.

The Transmission System is expected to induce creation of significant jobs and economic activity on a Transmission System-wide basis including more than 1,400 unique jobs in New York State over the 4-year construction period, \$0.6 billion in wages during the approximately 4-year construction period, an annual average of 40 direct, full-time jobs and 3,219 secondary jobs in New York State during the first 25 years of operations, and \$7.3 billion in wages during the first 25 years of operations on a statewide basis.² The majority of workforce will be sourced with union labor. Furthermore, it is expected that the Transmission System will induce \$1.6 billion in higher economic output during the approximately 4-year construction period and \$21.4 billion during the first 25 years of operations on a statewide basis.³ Without the Project and the Agency’s assistance, this statewide economic impact would not occur.

C. Zoning of Project Site

Questions relating to SEQRA requirements (Page 14)

The Transmission System is permitted under New York Public Service Law Article VII, and as such is a Type II action under SEQRA, requiring no further review. A copy of the certificate from the New York Public Service Commission is available at <https://chpexpress.com/wp-content/uploads/2020/03/permit-PSC.pdf>.

¹ Dutchess County; Towns of Red Hook, Rhinebeck, Hyde Park, Poughkeepsie, Wappinger, and Fishkill; City Poughkeepsie; School districts of Red Hook, Rhinebeck, Hyde Park, Poughkeepsie, Spackenkill, Wappingers, and Beacon. Involved tax jurisdictions subject to change based on final construction plans.

² See “Analysis of Economic, Environmental, Resiliency and Reliability Benefits to the State of New York,” PA Consulting, a copy of which is available for review at https://chpexpress.com/wp-content/uploads/2021/05/PA-Consulting-Tier-4-REC-Bid-Report_05-10-2021.pdf

³ Id.

D. Investment (Uses and Sources)

Estimated Total Project Cost (Page 15)

The Company does not have definitive costs per mile for the Project. However, based on estimated average capital costs of the Transmission System, the cost of the Project can be estimated to be approximately \$167 million.

E. Sources (Page 16)

The Transmission System will be financed through a combination of private sector financing and Applicant equity. Amounts and terms of each source of financing have not yet been determined, but it may include a mortgage on the Project Facility in Dutchess County and on Transmission System land and improvements in other counties; a mortgage on the Transmission System converter station site located in New York City; an assignment of contracts, such as the Transmission Services Agreement and construction contracts; an assignment of options on real estate; UCC filings; and a pledge of the equity interest in CHPE LLC held by TDI-USA Holdings, LLC.

Private sector financing will be sought for the entire Transmission System and not on a county-by-county basis. Accordingly, the total amount to be borrowed to finance the Project has not yet been determined.

F. Project Construction Schedule

What is the proposed date for commencement of acquisition or construction of the Project? (Page 16)

Construction of the Transmission System is currently expected to take place from 2022 to 2025; however, in Dutchess County, the construction time will be of a more limited nature. In the first season⁴, on-water construction (route preparation) of the Project will occur over the course of ~50 days. In the second season, on-water construction (cable installation) of the Project will occur over the course of ~90 days. The exact construction seasons are still to be determined based on direction from contractors. Significant coordination and communication with the Agency and involved municipalities will occur prior to construction.

Section 3: Project Evaluation and Assistance Framework

C. Project Benefits

Financial Assistance Provided (Page 18)

1. Estimated Sales Tax Exemption
Value of taxable purchases: Up to \$167 million⁵

⁴ Per CHPE’s Article VII permit as issued by the New York State Public Service Commission, the construction season windows for this portion of the Hudson River are August 1st to October 15th for milepost 256 to milepost 269 and September 15th to November 30th for milepost 269 to milepost 280.

⁵ It is anticipated that the Project may also qualify for other statutory exemptions from sales tax, such as the capital improvement exemption, which have not been determined and quantified at this time.

CHPE LLC, or its designee (the “*Company*”)
Project Supplement to Application for Financial Assistance to
Dutchess County Industrial Development Agency (the “*Agency*”)

2. Estimated Mortgage Recording Tax Exemption

For purposes of this Application, the Company estimates that the portion of the total borrowing to be allocated to the Dutchess County portion of the Transmission System is up to 100% of the \$167 million in capital costs, for which mortgage recording tax exemption is sought.

D. Employment

Questions relating to Employment and Use of Local Workforce (Pages 19-20)

There are no people presently employed at the Project site and the Company does not have a breakdown of anticipated employment figures by county once construction begins.

The Transmission System is anticipated to create more than 1,400 unique jobs in New York State over the 4-year construction period, with total wages of approximately \$0.6 billion during that period.⁶ Using economic multipliers, those jobs are expected to create an annual average of approximately 3,186 secondary jobs (indirect and induced) as well as \$1.6 billion in new economic output during construction focused on materials providers, trucking, hospitality, food service, transportation, fuel and clothing, among other sectors.⁷

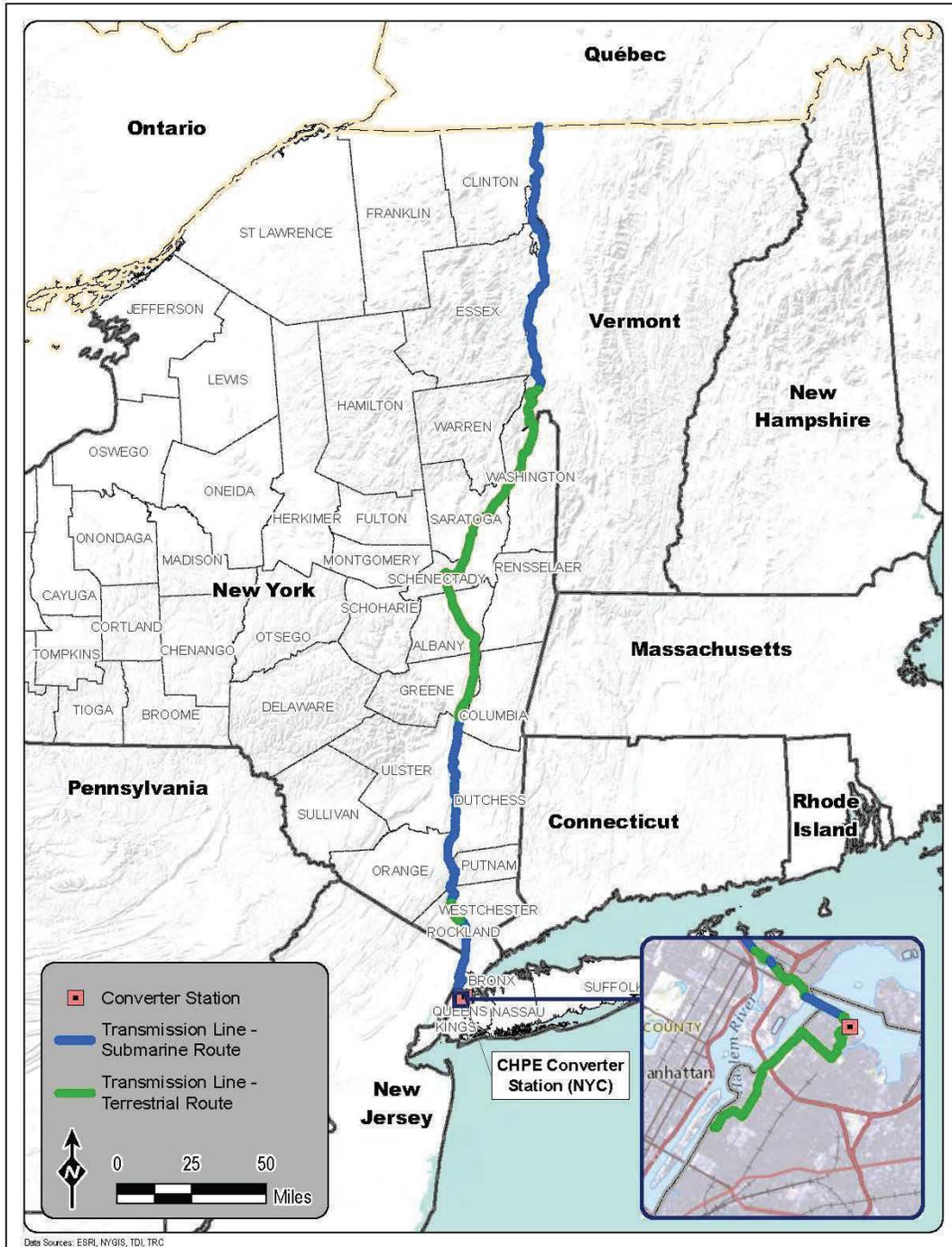
As a submerged and buried transmission line with no moving parts, the Project will not require day-to-day operations and maintenance efforts. Accordingly, the Project will not create permanent employment at the Project site. However, the Transmission System is anticipated to induce the creation of an annual average of 40 direct, full-time jobs and 3,219 secondary jobs in New York State during the first 25 years of operations. Those induced jobs are anticipated to generate approximately \$7.3 billion in wages during the first 25 years of operation on a statewide basis.⁸

⁶ See “Analysis of Economic, Environmental, Resiliency and Reliability Benefits to the State of New York,” PA Consulting, a copy of which is available for review at https://chpexpress.com/wp-content/uploads/2021/05/PA-Consulting-Tier-4-REC-Bid-Report_05-10-2021.pdf

⁷ Id.

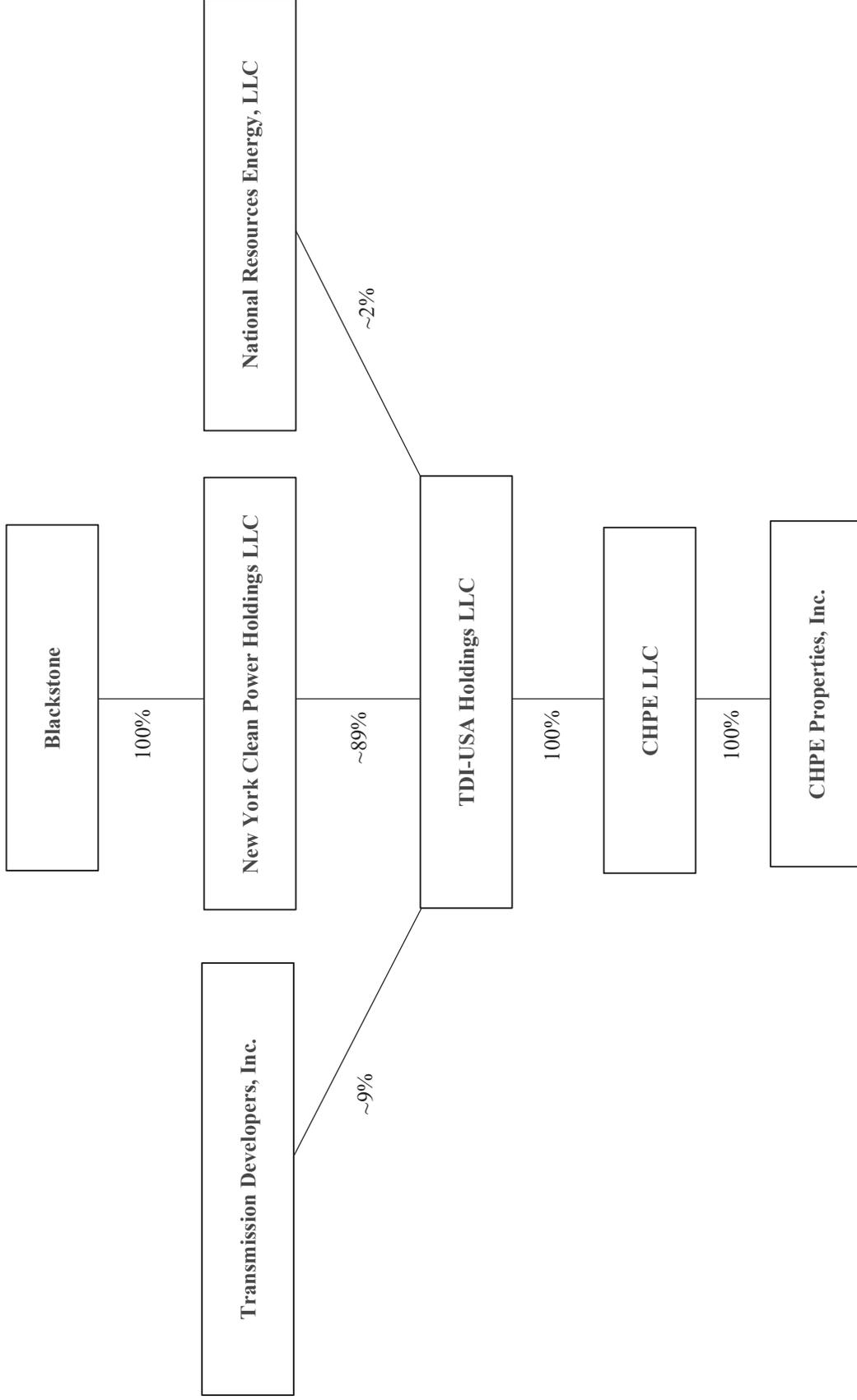
⁸ Id.

Exhibit 1
Transmission System Map



CHPE LLC, or its designee (the “Company”) Project Supplement to Application for Financial Assistance to Dutchess County Industrial Development Agency (the “Agency”)

Exhibit 2: Applicant Corporate Structure



Dutchess County Industrial Development Agency

MRB Cost Benefit Calculator



Date: July 5, 2022
 Project Title: #13022202
 Project Location: Dutchess County

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Project Total Investment

\$167,000,000

Temporary (Construction)

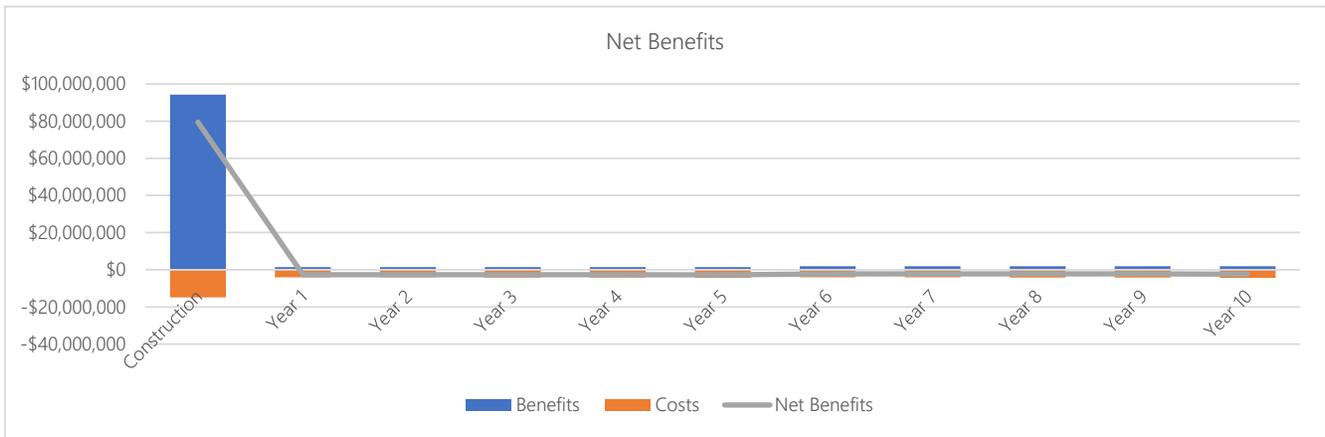
	Direct	Indirect	Total
Jobs	746	340	1086
Earnings	\$69,060,641	\$20,002,975	\$89,063,617
Local Spend	\$167,000,000	\$64,230,835	\$231,230,835

Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	0	0	0
Earnings	\$0	\$0	\$0

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

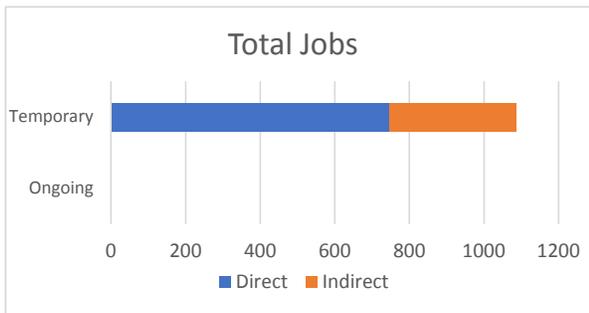
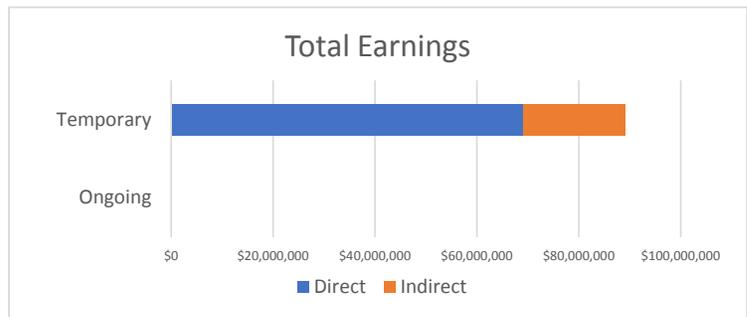


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$105,478,980	\$79,399,279
Sales Tax Exemption	\$13,568,750	\$13,568,750
Local Sales Tax Exemption	\$6,332,083	\$6,332,083
State Sales Tax Exemption	\$7,236,667	\$7,236,667
Mortgage Recording Tax Exemption	\$1,252,500	\$1,252,500
Local Mortgage Recording Tax Exemption	\$417,500	\$417,500
State Mortgage Recording Tax Exemption	\$835,000	\$835,000
Total Costs	\$120,300,230	\$94,220,529

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$188,453,725	\$157,171,539
To Private Individuals	\$89,063,617	\$89,063,617
Temporary Payroll	\$89,063,617	\$89,063,617
Ongoing Payroll	\$0	\$0
Other Payments to Private Individuals	\$0	\$0
To the Public	\$99,390,109	\$68,107,923
Increase in Property Tax Revenue	\$98,844,594	\$67,562,408
Temporary Jobs - Sales Tax Revenue	\$545,515	\$545,515
Ongoing Jobs - Sales Tax Revenue	\$0	\$0
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$4,631,308	\$4,631,308
To the Public	\$4,631,308	\$4,631,308
Temporary Income Tax Revenue	\$4,007,863	\$4,007,863
Ongoing Income Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$623,445	\$623,445
Ongoing Jobs - Sales Tax Revenue	\$0	\$0
Total Benefits to State & Region	\$193,085,033	\$161,802,847

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$157,171,539	\$86,148,862	2:1
State	\$4,631,308	\$8,071,667	1:1
Grand Total	\$161,802,847	\$94,220,529	2:1

*Discounted at 2%

Additional Comments from IDA

CHPE is a 339 mile, 1250 megawatt high-voltage direct current electric transmission line that will transport renewable energy from the U.S./Canada border to NYC.

Does the IDA believe that the project can be accomplished in a timely fashion? Yes



Evaluation of Projects Requesting IDA Benefits

Project: Champlain Hudson Power Express, LLC
#13022202

Location: Dutchess County

Type of Business: Renewable Energy

Agency Request

Sales Tax Mortgage Tax Exemption PILOT - deviated

Company Description:

Champlain Hudson Power Express, LLC (CHPE) is owned by Transmission Developers Inc. (TDI-USA Holdings) and is a single project vehicle company formed in 2020 to design, construct and install a transmission line to deliver renewable energy to meet NYS' green energy goals and deliver renewable energy to New York City. TDI specializes in developing unique energy transmission projects using renewable energy sources.

Project Description:

The Champlain Hudson Power Express is a fully permitted 338-mile transmission line that will deliver 1,250 MW of renewable and reliable power to New York City. The High Voltage direct current (HVDC) cable will be placed in waterways or buried along existing road and railroad transportation corridors.

Approximately all 31 miles of the line will be installed underwater along the Dutchess County side of the Hudson River.

The project has an expected life of over 60 years.

Project Timeline:

Proposed date for commencement of acquisition or construction: 3rd quarter 2022

The actual or expected dates of:

Construction completion: 2025 (Dutchess County portion)

Occupancy: n/a

Total Cost of Project: (Dutchess County portion)

Amount Private Investment

Total Project Cost \$ _167,000,000___ Private Investment: \$ _167,000,000

Amount of other public financial assistance, grants and source \$ _0_

Construction Costs: \$ _167,000,000___ Equipment: \$ included in construction costs

Company Incentives:

Amount of Sales tax benefits:	\$13,568,750
Amount of Mortgage Recording Tax:	\$1,252,500
Estimated real property tax exemption with PILOT*	\$105,478,980

*Assessed value is under negotiation therefore the estimated PILOT exemption is based on an estimated value related to project cost.

Estimated amount of benefit to State & Region*:

Anticipated Property Tax revenue:	\$98,884,597
Anticipated Sales Tax revenue	\$233,792
Benefit to Cost Ratio	2:1

**figures based on MRB algorithms*

Estimated Property Value Increase

Current Assessed Value	Current Property Tax (2021)	Estimated New Assessed Value	Net Increase	Est. Year 1 PILOT Payment
\$0	\$0	\$TBD	\$TBD	\$1,441,628

Employment Impact

Committed total FTE jobs: ___0___
 Number of existing FTE jobs to be retained ___0___
 Total Number of new FTE Jobs to be created ___0___ over 2 years.
 Annualized Average Salary Range of FTE jobs \$_n/a
 Estimated Hourly Wage Average: \$n/a
 Total Number of Construction Jobs to be created ___1,400___

The project is estimated to have the following spillover impact.

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Initial	1,400	40
Direct		
Indirect	3,186	3,219
Induced		
Total Effect	4,586	3,259

Provided by Applicant – see supplemental information in application

Community Benefits:

- *Investment:* The project has an estimated project cost of approximately \$167 million in Dutchess County.
- *Community Commitment:* While there will be no direct job creation in Dutchess County the project is projected to create 40 direct FTE jobs throughout NYS. The project will take 4 years to construct and the majority of the workforce will be source with union labor.
- *Environmental Factors:* The project will displace the use of fossil-fuel electric generating resources with an environmentally sustainable energy infrastructure. The project is consistent and is part of NYS’ goal of 70% renewable energy by 2030, as well as the state’s mandate to reduce CO2 emissions by 40% by 2030 and 80% by 2050.

Project is consistent with Agency’s Mission: Yes, the project will promote economic development resulting in construction jobs and permanent employment.

The Project has municipal support:

Municipal Support PILOT

CEO Comments of Importance

The project is consistent with NYS’ goal of reaching 70% renewable energy by 2030, as well as the state’s mandate to reduce CO₂ emissions by 40% by 2030 and 80% by 2050. The project will also improve NYS’s aging energy infrastructure resulting in a more secure and reliable system resilient to natural disasters.

CHPE is requesting a deviated PILOT to ensure project cost certainty, including tax responsibilities over the 30 year term for its financing and viability of the project. The deviated PILOT formula is designed to provide cost standardization and uniformity of treatment across the affected tax jurisdictions in New York State.

While the project will not create direct permanent jobs at the project site in Dutchess County, the project will provide long-term and predictable revenue for the taxing jurisdictions with no use of public infrastructure.

The project has significant community, labor and environmental support in New York State.

Board Member QUESTIONS /COMMENTS

Completed by Board Member _____ Date _____ 202__
Print name _____

Mission Statement:

The Dutchess County Industrial Development Agency [DCIDA] was created to further economic development in Dutchess County by providing financial assistance to private entities through tax incentives including the issuance of bonds to facilitate the building of capital projects with the resultant construction jobs and permanent follow on employment.

DUTCHESS COUNTY

Housing Needs Assessment

March 2022



Prepared by



czbLLC

Acknowledgements

PROJECT STEERING COMMITTEE

Alan Bell

Supervisor, Town of LaGrange

Betsy Brockway

Commissioner (retired), Dutchess County Department of Services for Aging, Veterans and Youth

Rick Cerino

Mayor, Village of Wappingers Falls

Darrah Cloud, *Founding Member, Tri-Town Coalition, and former Supervisor, Town of Pine Plains*

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Vice Chair, Dutchess County IDA Board, and General Manager, Fishkill Farms

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Councilmember, City of Poughkeepsie

Joseph Kirchhoff

Principal and CEO, Kirchhoff Companies

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Mary Linge

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Director of Programs, Dyson Foundation

Richard Yeno (Katie Palmer-House)

Supervisor (Town Clerk), Town of Dover

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Senior Planner – Project Coordinator

Dylan Tuttle

Planner



Prepared for Dutchess County



Prepared by czbLLC

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**DUTCHESS
COUNTY**

Housing
Needs
Assessment



Executive Summary

The broad contours of today’s housing needs in Dutchess County are familiar. In fact, **they echo the needs pinpointed in previous decades by previous studies in remarkable ways.**



What is different in 2022 is that a confluence of circumstances have created rising levels of need for an expanding range of households, including many that had no trouble affording good housing until recently—especially those earning \$35,000 to \$50,000.

These rising levels of need, amplified by market tumult during the pandemic, have turned more attention to housing policy at all

levels of government—including the county and municipal levels. The Dutchess County Housing Needs Assessment describes the trends that influence rising levels of need throughout the county, defines clear goals for additional housing interventions, and recommends a strategic framework driven by local resources and an adaptable toolkit of policies and programs.

A Series of Long-Simmering Trends

Many factors influence housing needs and are explored in the Housing Needs Assessment. They reveal several trends that contribute to the housing market experienced by households today. And most are likely to persist—providing direction to future housing goals and policy considerations.



Slow growth and a changing population

Population and employment growth have slowed in recent decades, but shrinking household sizes have meant growth in the total number of households. Over the next 20 years, the number of net new households is likely to be small, but the composition will be different—including a much larger share of households over age 65.

A bigger role for large housing complexes

Roughly 15,000 housing units have been added to the county's inventory in the past 20 years and represent 13.5% of current units. While most new units have been single-family homes, the number of units in complexes with 20 or more apartments has grown by nearly 50% since 2000.

Home values and rents have been rising; vacancies are low

Since the fallout of the Great Recession, home values and rents have been rising in the county, especially since 2016. Low inventory and low vacancy rates have played a significant role, including vacancies at larger apartment complexes dipping below 1% in 2020 and 2021.

Incomes have lagged behind costs for renters

The value of owner-occupied homes and gross rents in the county have outpaced inflation since 2000, as have the incomes of homeownership households. But the incomes of renters in the county have lagged behind inflation.

Significant increases in cost-burdened households

Lagging renter incomes have meant a substantial rise in the share of renters that spend more than 30% of their monthly incomes on housing—52% of renters are now in that position. Renter households earning \$35,000 to \$50,000 have experienced the sharpest change, with 71% now cost-burdened compared to just 10% in 2000.

Growth of higher-income households has exerted pressure on the market

Growth in households with high incomes has been a noteworthy trend of the past 20 years. Housing opportunities that match the spending capacity of those households have not grown as quickly, however, putting those households in competition for the same housing as middle-income households—who also compete with lower-income households who face a dearth of affordably priced housing.

A Clear Goal for Additional Interventions Going Forward



A key takeaway from trend analysis for the Housing Needs Assessment is that affordability challenges in Dutchess County resemble “death by a thousand cuts,” with a range of factors contributing to the cost pressures felt by today’s households. For the most part, these factors are long-term and their impact has matured in recent years. They may have been amplified by COVID-19 and the period of price escalation that preceded it, but they were not caused by those events.

Regardless of the range and complexity of factors that shape the Dutchess County housing market, it is clear that renters earning less than \$50,000 per year should be the focus of additional interventions to improve access to affordable housing. These households are far more likely than others to currently spend more than 30% of their incomes on housing—making them cost burdened—or highly vulnerable to spending that much, or more, in the near future.

To “catch up” on unmet needs for renters making less than \$50,000, it is estimated that 2,155 additional interventions will be needed—interventions that may include new housing units, new protections on existing rental units, vouchers to assist with rent payments, or access to affordable homeownership.

In recognition of the considerable volume of these unmet needs, this Housing Needs Assessment recommends an annual, incremental catch up goal of 108 additional interventions per year for the next two decades.

**Total
Catch Up**
2,155
interventions
to resolve
existing cost
burdens



**Incremental
Catch Up**
108
interventions
**PER
YEAR**



going forward to
address existing and
future housing needs

A Strategy for Action



“Fair Share” approach to new interventions in Dutchess County

Making progress towards the goal of 2,155 additional interventions requires both a regional strategy for Dutchess County and an approach to allocating those interventions across the county in a manner that reflects local housing needs—and the fact that local jurisdictions will play a primary role in meeting their needs.

The Housing Needs Assessment proposes a “fair share” approach to meeting those unmet needs—allocating a share to each jurisdiction based on its share of current households in the county, its share of county households earning under \$50,000, and its share of county jobs.

Diverse tools supported by a predictable infusion of local resources

A **Dutchess County Housing Trust Fund is recommended to support a diverse toolkit** that can be adapted to meet the needs and conditions of jurisdictions across the county.

This toolkit may include:



Local site identification and land use updates for new construction



Rehabilitation program for existing rentals



Local inclusionary policies



Subsidies for inclusive units in new, mixed-income developments



Subordinate mortgages to support affordable homeownership



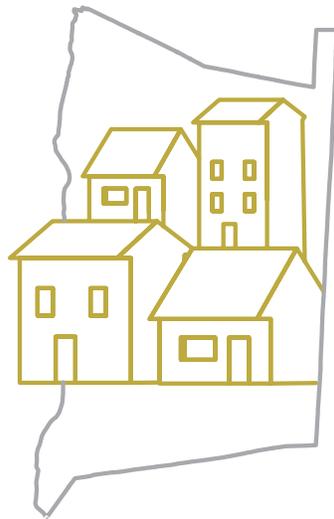
Tax exemption policies



More housing vouchers

Introduction

Dutchess County’s housing affordability challenges are not new, but current circumstances create fresh urgency to address decades-long conditions.



As the old saying goes, there’s very little new under the sun. In 1988, Dutchess County’s Planning staff provided a report to the County Legislature regarding the need for more affordable housing by the year 2000. Many of its key passages will sound as relevant at the time of this writing in early 2022 as they did more than 30 years ago. From the 1988 report:

To some extent, recent spurts of residential construction are a response to a “pent-up demand” in the housing market; that is, a need for units which outstripped the supply. This is easily demonstrated by the low vacancy rate in the rental market here (2.8% in 1987).

This “pent-up demand” resulted, for a time, in a “seller’s market”, where buyers/renters competed to find a suitable unit; and producers were guaranteed a comfortable return on homogeneous, upper-end housing. Left out of the picture, to a large extent, were lower and moderate-income consumers seeking an inexpensive rental or low-cost, first-time homebuyer unit. These consumers encountered a market place in which they often had to search far and wide for suitable shelter.

.....there is a growing disparity (or price/income gap) between housing costs and median income. At one time, the average income household was better able to afford the average priced home. For example, in 1960, the median value of a housing unit was \$14,900 or 2.3-times median household income. In 1970, this ratio dropped to 2.1, returning to 2.3 in 1980. In 1988, however, the average cost of a house was approximately 3.6 times median household income...

Recent trends, in the broad strokes, do not suggest much more of an affordability problem than existed in 1988. In the current era, rental vacancy rates have been under 3% since 2013, according to data maintained by Dutchess County. In fact, according to county data dating back to 1980, low rental vacancy rates in larger multi-family properties are the rule, not the exception. Today’s home value to income ratios are actually lower than those reported in 1988: the median ratio in 2019 was 3.3 and the average ratio was 2.8 (and historically low interest rates make today’s ratios even more affordable for homeowners compared to those of the late ‘80s).

The culprits for affordability problems in 1988 may also sound familiar to readers of this report in 2022:

This “pent-up demand” has occurred for several reasons:

Household formation patterns: Smaller households, a bulge in the number of older people living independently for longer periods of time, and patterns of divorce and family dispersion in the last decade have all increased the number of units needed proportionate to population growth.

Lengthy project approval times: Increased development activity and regulatory constraints have lengthened the time period from “conception to construction”, constricting the capacity for supply to catch up with the demand.

Limited variety of supply: Units built in Dutchess County since 1980 have been targeted primarily toward a limited segment of the potential housing consumer—specifically the upper middle income and above homebuyer, except for a few notable exceptions generated by not-for-profit organizations, et al.

Small household sizes and the aging of county residents continue to be demand-side factors today, and difficult development processes and limited product and price offerings impact the new housing supply. So, is anything different today? If so, what?

Long-Run Trends and Resulting Fall Out

What would have been difficult to forecast in 1988, or even in 2000, was how different kinds of households would benefit, or not, from future social, economic, and housing trends that did not originate in the county but would have important on-the-ground impacts. For example, labor markets increasingly rewarded soft skills and formal education, and those who had them reaped the financial rewards. Those households with two workers in possession of those in-demand traits benefited doubly. By contrast, in most cases, low-wage service workers did not experience much in the way of pay increases, and single-earner households in those lines of work experienced the greatest financial struggles.

It was not necessarily foreseeable that the national housing production industry would overbuild in the years before 2008, that credit would be overextended, that the housing market would crash, and that the housing industry, including both

those who build and those who finance, would correct itself by building and financing much more conservatively once the economy began to recover following the Great Recession.

What was foreseeable, and to some extent what has come to pass, is that the provision of housing in a market economy has a cost—a cost that can be translated into a home purchase price or a monthly rent—and so long as there are households with insufficient income to pay what housing costs in the local market, affordability challenges will result. So long as Dutchess County continued to have a substantial number of households with low incomes, housing need would persist.

Today, it is clear in the data that Dutchess County’s housing market is driven by well-educated, well-compensated, usually married, usually older, usually homeowner households. It is their demand that sets the terms of the housing market. It is also clear that housing affordability challenges have been growing for those who have always struggled—the county’s lowest-income households—and more recently for those who historically have not had to struggle—the county’s moderate income households. Furthermore, it is clear that these trends were well established by 2019.

COVID-19 and 2020-2022 Economic Conditions

What is also new, but less empirically supported at this time— not because it is necessarily false, but because there is little reliable data—is the idea that “COVID refugees” are moving into Dutchess County, particularly from New York City, and bidding up the cost of existing housing. Rental vacancy rates have been low for some time, and sales data show that although home prices did experience an anomalous increase from 2019 to 2020, they were already on the rise in 2017.

A variety of new factors came into play at or around the same time as COVID, including but not limited to: historically low inventory of homes to purchase, general increase in demand for single-family homes, and specific increase in Millennial household formation. While an influx of new residents may yet prove to be a real phenomenon, it is, as of this writing, only an anecdotal one that will take time to assess. It will also take time to fully understand the impact of the eviction moratorium and other temporary or more permanent policy changes that occurred in the midst of COVID.

Whatever has been going on in the Dutchess housing market in recent decades, the reality in 2022 is that thousands of households struggle to afford their housing costs. This report is an important step in the county’s ongoing efforts to understand and address its housing affordability challenges.



Reading this Report

This report endeavors to guide Dutchess County policymakers—county, town, and village officials—and practitioners—professional government staff and housing providers—in defining and pursuing achievable housing goals. It includes three sections that connect existing trends, potential future trends, and the path forward.

PART 1 **Market** **Conditions and** **Affordability**

Part 1 provides an overview of the demographic, economic, and housing trends of recent years that combine to shape current conditions and affordability. It concludes by defining a “catch up” number of interventions that would be needed to address a prioritized housing need.



PART 2

Housing Needs Tomorrow

Part 2 summarizes three scenarios that are used to understand potential housing needs over the next two decades—all through the lens of six fundamental household types in Dutchess County. All three scenarios are rooted to population projections that foresee a rapid aging of the population, which will have a significant impact on the county's household profile. Overall, low growth and a continuation of recent household income trends are expected to maintain housing market dynamics into the future.

PART 3

A Strategy for Action

Part 3 lays out a framework for moving beyond the study of housing needs and towards concerted local action with local resources. It recommends a goal for additive interventions annually, the establishment of a county housing fund, the development of a toolkit for deploying local resources, and a simple set of principles for guiding the use of federal and state resources.

PART 1

Market Conditions and Affordability

It is beyond dispute that many households struggle to afford housing in Dutchess County. The data, analysis, and discussion in the following pages illustrates this point as clearly as possible. What is not as simple to explain is why the gaps between housing costs and local households' ability to pay them exist, and seem to be growing. This section provides a brief—not exhaustive—overview of basic demographic, economic, and housing trends, a description of the county's affordability challenges using the latest comprehensive data, and some possible insights into what has been happening with Dutchess County households that allows some to live comfortably in a more expensive housing market while others struggle.



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Demographics

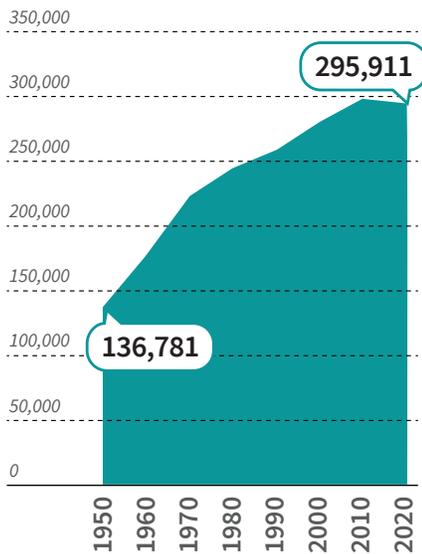
Dutchess County’s demographic trends paint a picture of a population that is aging and no longer growing.

Rapid Mid-20th Century Growth and 21st Century Slowdown

Dutchess County grew relatively quickly in the middle of the 20th Century, slowed somewhat after 1970, and then effectively stopped growing after 2010. (Officially, as of the time of this report, the 2020 Census reports a loss of 1,577 residents between 2010 and 2020. Dutchess County has identified some COVID-related issues with how some of the group quarters were counted and a formal correction will be sought from the U.S. Census Bureau.)

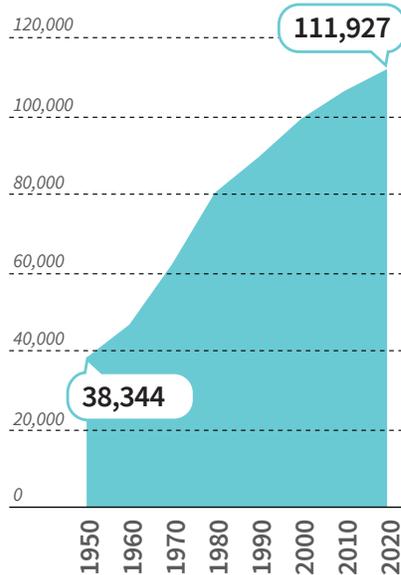
Household growth, however, continued unabated through 2020. Households continued to increase despite population slowdown because, on average, each household has fewer people living in it. Decreasing household sizes have been a trend in Dutchess County since at least 1950, when the average household size was 3.97.

Population, 1950-2020



Source: U.S. Census

Households, 1950-2020



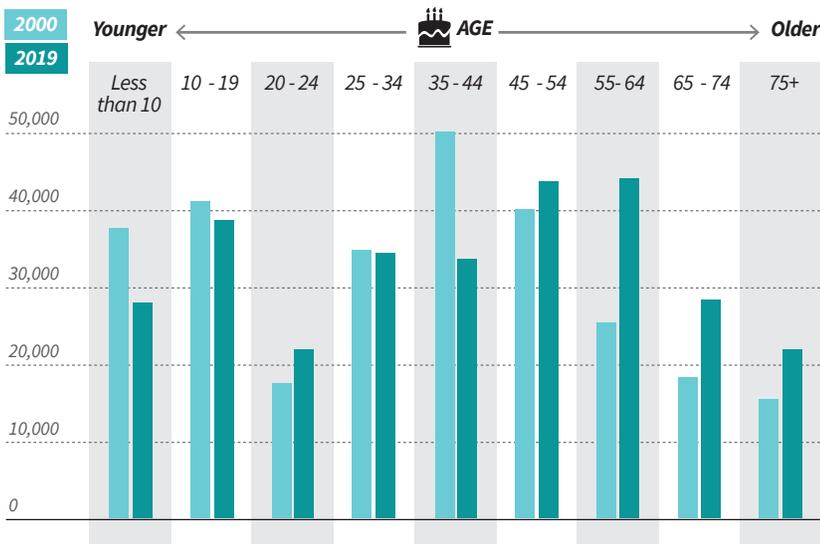
Source: U.S. Census

Number of Households and Household Size

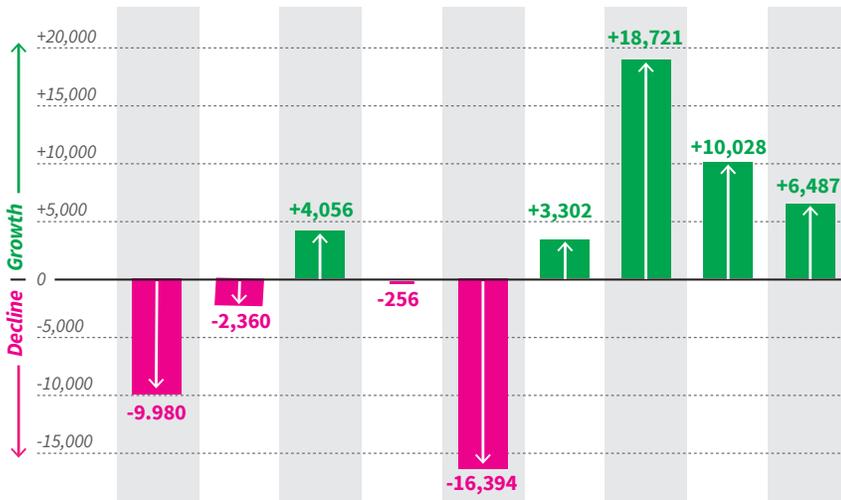
2000	2010	2020
99,536	106,952	111,927
Household Size		
2.63	2.57	2.42

Source: U.S. Census

Population by Age, 2000 and 2019



Population Change by Age, 2000 and 2019



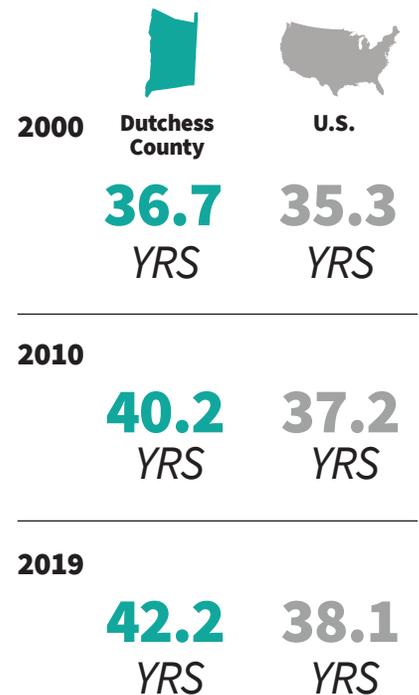
Source: 2000 Census and 2015-2019 ACS Five Year Estimates

Aging Population

Since 2000, a key trend in Dutchess County has been the aging of its population. The number of children has declined while the age groups 55 and older have grown substantially.

In 2000, Dutchess County's median age was only one year greater than that of the U.S. **By 2019, the median aged Dutchess County resident was four years older than the median aged American.**

Median Age



Source: 2000 and 2010 Decennial Census, 2015-2019 ACS Five Year Estimates

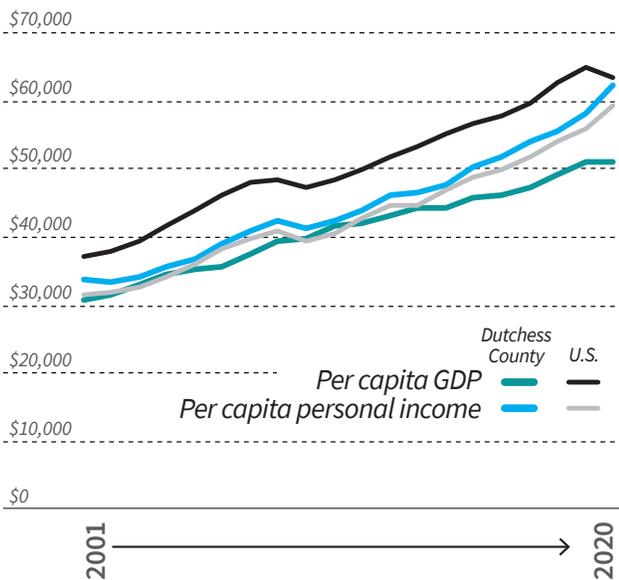


Economy

The strongest trends in Dutchess County’s economy this century are its relatively slow employment growth compared to the nation, and the decline of manufacturing employment.

Steady Economic and Income Growth

Per Capita GDP and Personal Income, 2001-2020



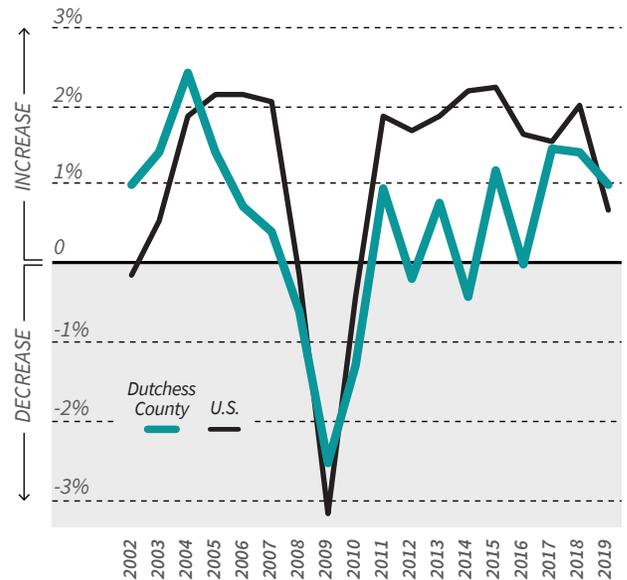
Source: Bureau of Economic Analysis

Per capita gross domestic product (GDP) measures the amount of economic activity in the county and averages that value across all county residents. Between 2001 and 2020, annual growth in per capita GDP in Dutchess County averaged 2.7% versus 2.9% nationally.

Per capita personal income, which is the total amount of income each year averaged across all county residents, grew at an average rate of 3.3% versus 3.4% nationally.

Employment Growth Lagging the Nation

Annual Percentage Change from Previous Year in Total Non-Farm Employment, 2002-2019

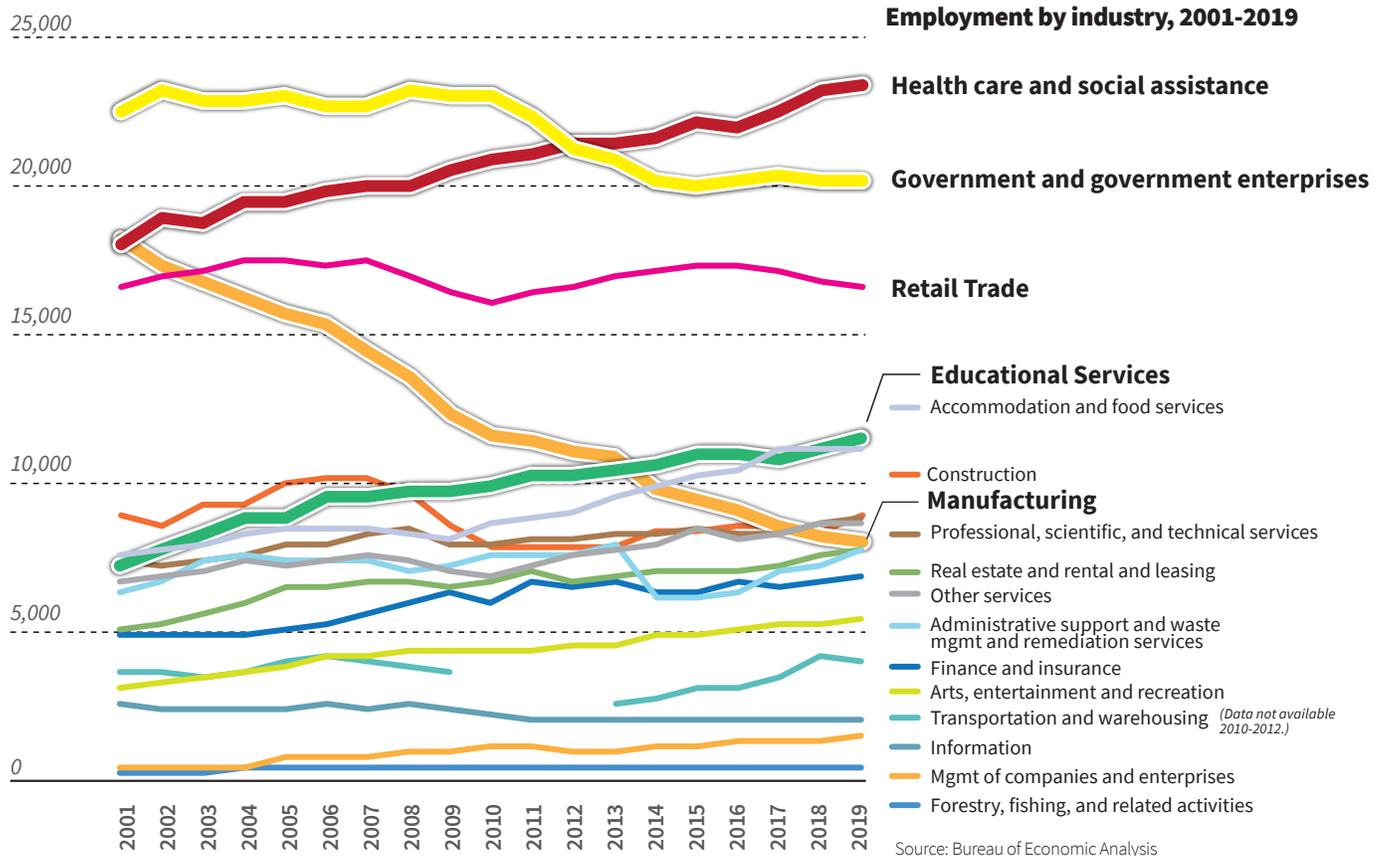


Source: Bureau of Economic Analysis

Employment in Dutchess County rose and fell in a pattern similar to national conditions between 2001 and 2019. **But overall employment growth during that time was 9.3% in the county and 22.5% in the U.S.** Between 2005 and 2018, annual employment growth was consistently higher in the U.S. than in Dutchess County.

Gradual Employment Shifts, Except in Manufacturing

There were few dramatic changes in employment in any specific industries between 2001 and 2019. Some notable growth occurred in Health Care and Social Assistance and in Educational Services (“Eds and Meds”) with a combined increase of over 9,000 workers. Government employment decreased by just over 2,300. Manufacturing employment fell substantially however, with a loss of over 10,000; this represents a loss of 55.4% compared to a loss of 24.3% in the U.S. over the same time period.





Housing

Dutchess County is a housing market that has been and continues to be focused on ownership housing. But large-scale multifamily development is the fastest growing housing type, with developers responding to rental demand that can be seen in low rental vacancy rates.

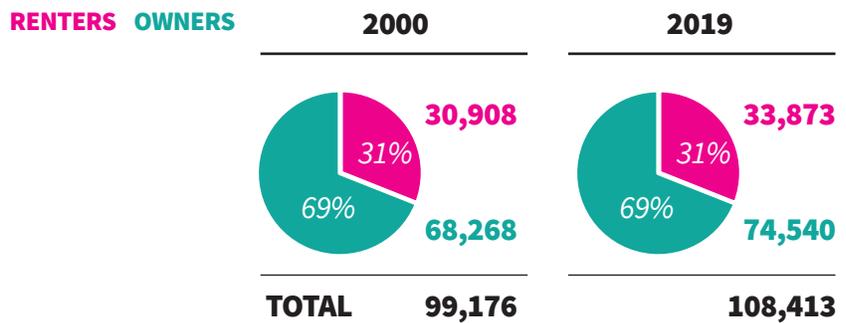
Housing Supply Dominated by Ownership of Single-Family Homes

In recent decades, Dutchess County has clearly been a place where ownership of a single-family house is the dominant housing arrangement. In 2000 and in 2019, nearly 70% of households owned their homes instead of renting, and nearly 70% of all housing units were single-family houses (either detached or attached). Over the same period of time, the U.S. proportion of owners declined from 66% to 64% while its proportion of single-family homes increased from 66% to 67%.

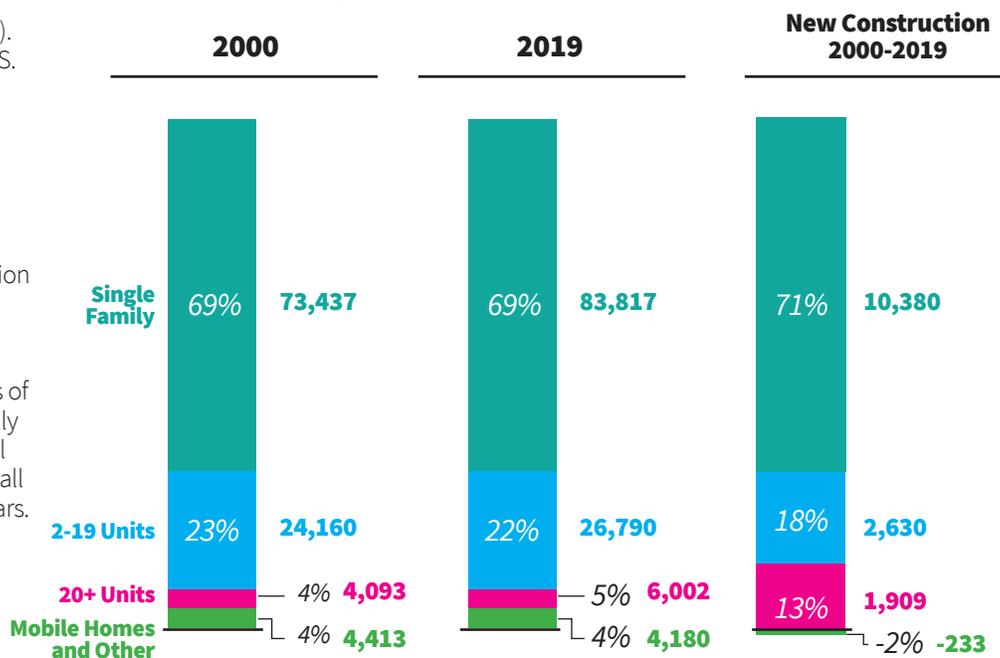
New units added to the inventory during this period were also heavily tilted toward single-family construction in the same proportion. A notable trend for those units that were not single-family houses was the prevalence of new units in structures of 20 units or more. Such units were only 3.9% of all units in 2000 and 5% of all units in 2019, but comprised 13% of all new units built in the intervening years.

Source: czb analysis of data from 2000 Census and 2015-2019 ACS Five Year Estimates

Tenure of Households, 2000 and 2019



Number of Units by Units in Structure, 2000 and 2019



Values and Rents Rising

Median owner-occupied home values increased by 87% between 2000 and 2019. Of course, that increase was not in a straight line, as prices more than doubled from 2000 to 2010 before falling during the recession.

Since at least 2012, sale prices of single-family homes have not only been stable but have begun to rise. A clear upward trend in the median sale price began in 2017, culminating in a gain in 2020 of almost 12% over the previous year.

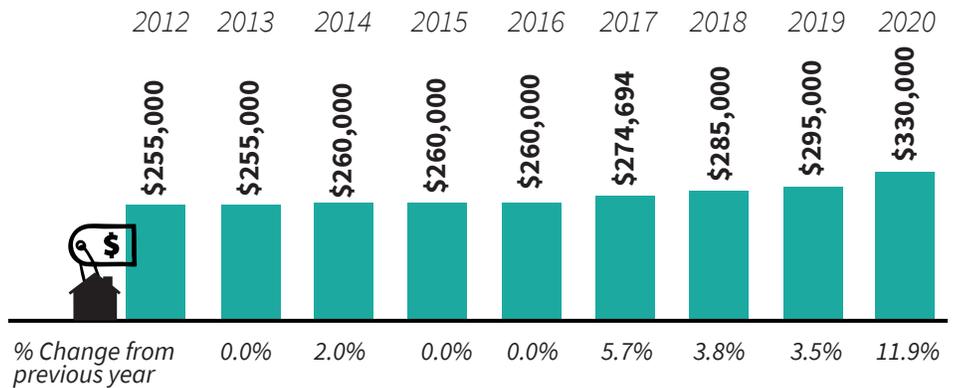
Rents have also been rising since 2000, with the county's median rent experiencing an increase of 73%. In recent years, rental vacancy has also been declining according to an annual rental housing survey administered by Dutchess County. The survey, which reports results only from owners or managers of properties of at least 20 units who chose to respond, reports vacancy at or below 3% each year since 2013 and below 2% each year since 2018. A market is considered to be healthy with 5% vacancy so these rates suggests a tightness in the rental supply that would support rising rents and construction of new rental units.

Median Value of Owner Occupied Units

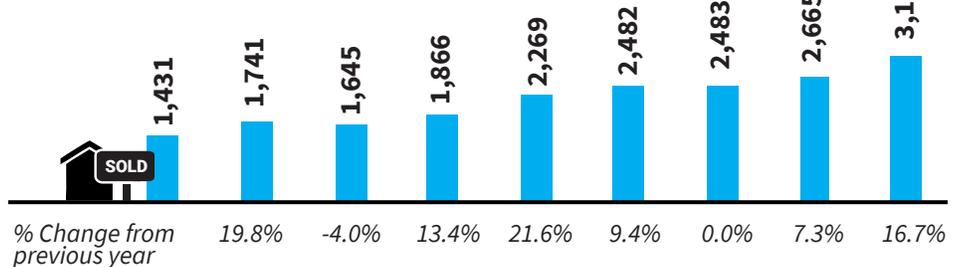
Year	2000	2010	2019
Median Value	\$150,800	\$323,300	\$282,200

Source: 2000 Census, 2006-2010 and 2015-2019 ACS Five Year Estimates

Median Sale Price, 2012-2020



Single Family Sales, 2012-2020



Source: NYS Sales Web

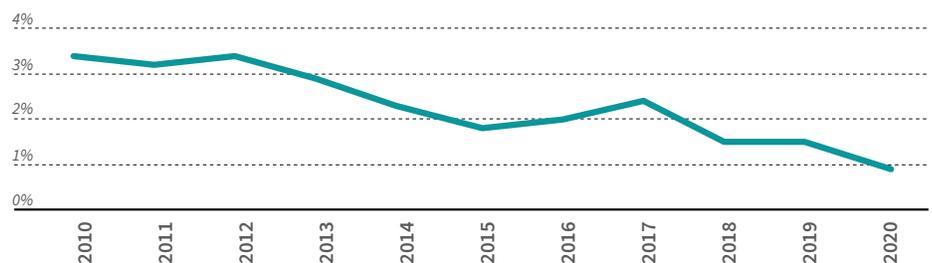
Median Gross Rent



Year	2000	2010	2019
Median Gross Rent	\$707	\$1,038	\$1,220

Source: 2000 Census, 2006-2010 and 2015-2019 ACS Five Year Estimates

Self-Reported Vacancy Rates in Properties with 20 Units or More



Source: Dutchess County Department of Planning and Development

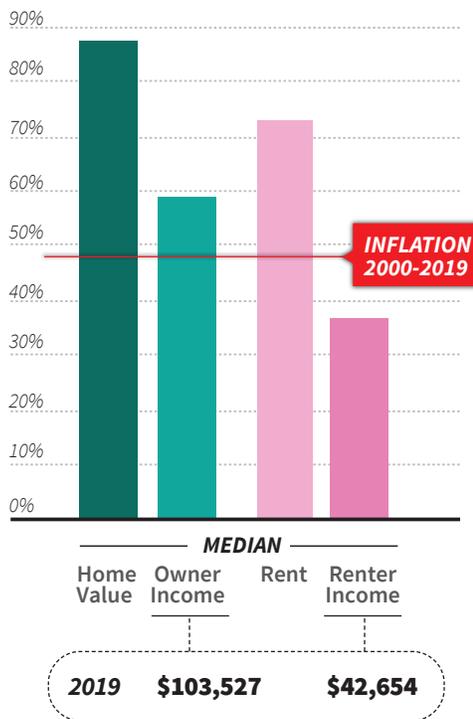


Affordability

The terms of Dutchess County’s market are largely set by high-income homeowners who have few if any affordability challenges. Other households struggle to keep up.

Incomes Lagging Behind Housing Costs, Especially for Renters

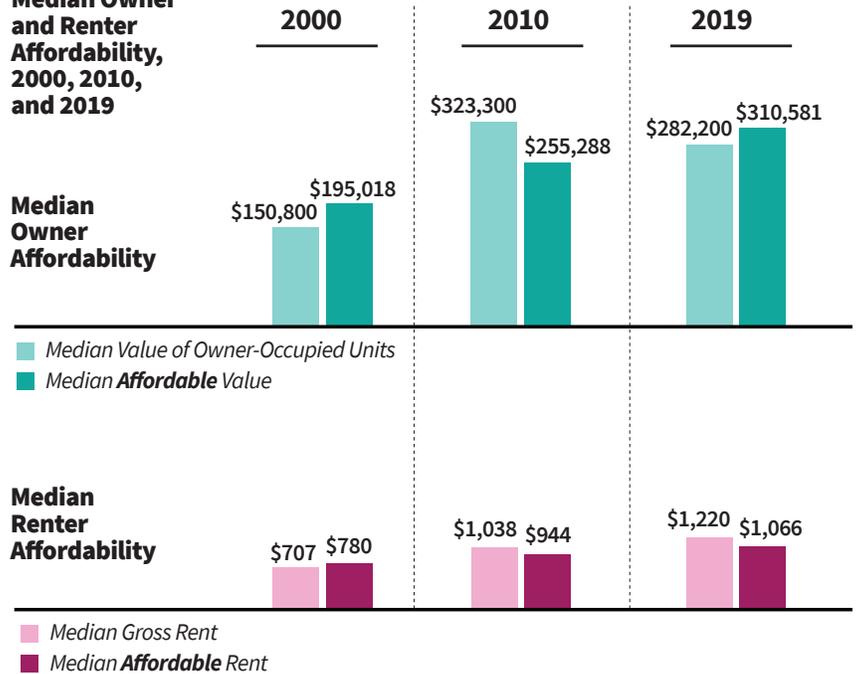
Percent Change in Median Home Value, Median Gross Rent, and Median Incomes by Tenure, 2000-2019



Owner incomes may not have matched the increase in home values between 2000 and 2019, but they did exceed the rate of inflation. This was not true for renter incomes. In both cases, housing costs grew faster than incomes.

Owners’ High Incomes Going Far While Renter Incomes Struggle to Keep Up

Median Owner and Renter Affordability, 2000, 2010, and 2019



Despite the median home value growing faster than the median owner income after 2000, the median homeowner could still afford the median home in Dutchess County in 2019. In fact the median owner could afford more. (It is assumed that an owner can afford a unit valued at three times annual income.) At the median, county homeowners had no affordability problem in 2000 and, despite a run up in values in the late 2000s, continued high homeowner incomes and cooling home values meant a return to affordability by 2019.

As the median gross rent rose at twice the rate of the median renter income after 2000, the median renter could no longer afford the median gross rent. (It is assumed that renters can afford to spend 30% of their income on housing costs each month.)

Source: czb analysis of data from 2000 Census and 2015-2019 ACS Five Year Estimates

Source: czb analysis of data from 2000 Census, 2006-2010 and 2015-2019 ACS Five Year Estimates

Too Few Units for the Lowest and Highest Incomes

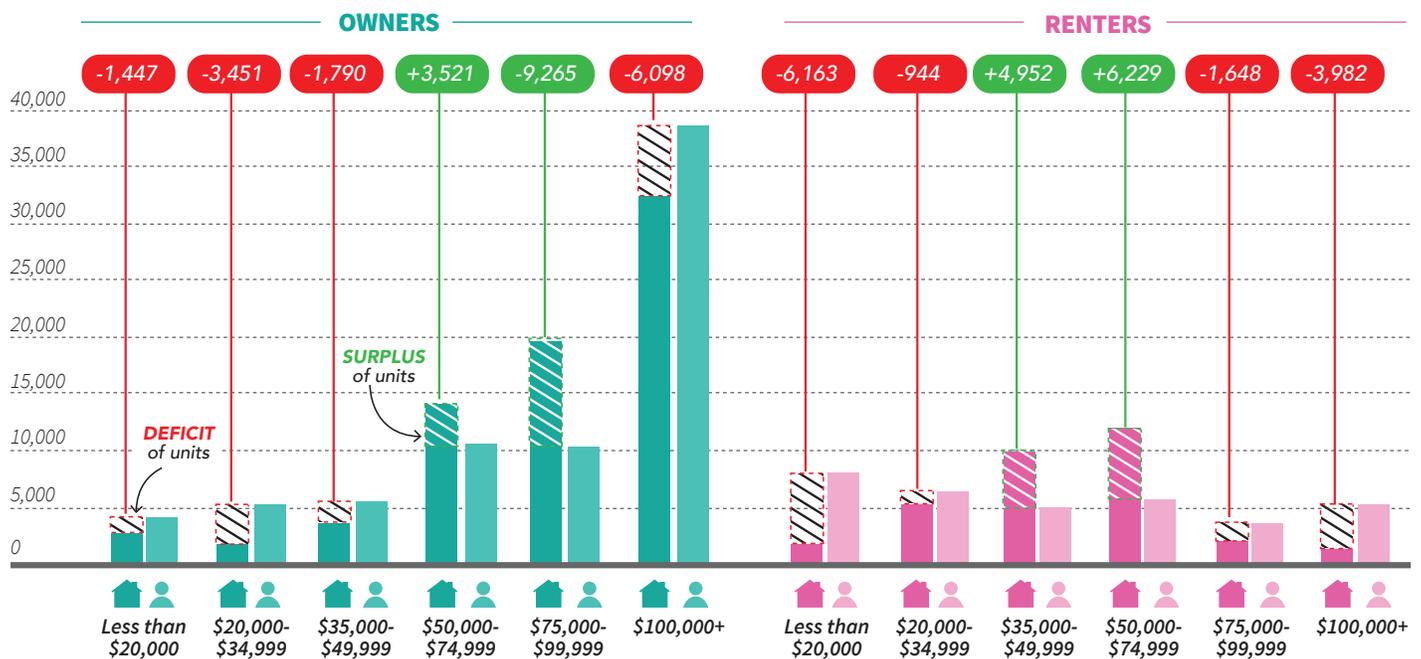
A gap analysis measures the difference between the number of units in a given price range—values for ownership units and monthly gross rent for rental units—and the number of households for whom the price range is affordable. Affordability determinations for ownership are based on a rule of thumb that a household can afford to buy a unit three times their annual income. For rental, it is based on a household spending no more than 30% of its monthly income on gross rent.

Gap Analysis for Owner Households and Renter Households by Income, 2019

UNITS HOUSEHOLDS

DEFICIT OF UNITS

SURPLUS OF UNITS



Gaps for Ownership

The county has a deficit of owner units affordable to households earning less than \$50,000. The gaps represent owners in houses with values that appear to be mismatches for their incomes. Some may be cost burdened, but some may be low-income seniors who have paid off their houses and others simply purchased years ago when the value was lower. These latter groups do not necessarily have an affordability problem.

It also has a deficit of owner units matched to households with incomes at or above \$100,000. In this case, there are not enough units expensive enough to be worth three times the income of these high-income owner households.

There is a surplus of units affordable to the income ranges \$50,000-\$99,999. As a result, lower-income households below \$50,000 and higher-income households at or above \$100,000 are buying and/or living in these units. The greater the demand from the highest-income group, the more pressure there will be on home values to increase over time.

Gaps in Rentals

The county has a deficit of rental units affordable to households earning less than \$35,000.

It also has a deficit of rental units matched to households with incomes at or above \$75,000. In this case, there are not enough units that are expensive enough to take up 30% of the monthly income of these high-income renter households.

There is a surplus of units affordable to the income ranges \$35,000-\$74,999. As a result, many lower-income households are “renting up” into a unit that costs more than they can afford, with a resulting rent burden, while higher-income households are “renting down” into a unit that costs less than 30% of their monthly income and are getting a good deal. The greater the demand from the highest-income group, the more pressure there will be on rents to increase over time.

Source: czb analysis of data from 2015-2019 ACS Five Year Estimates



Housing cost burden, defined as a household spending more than 30% of its income on housing, is another way to examine affordability. The lowest-income households will always spend the greatest percentage of their incomes on housing costs and low-income renters are likely to face the greatest struggles.

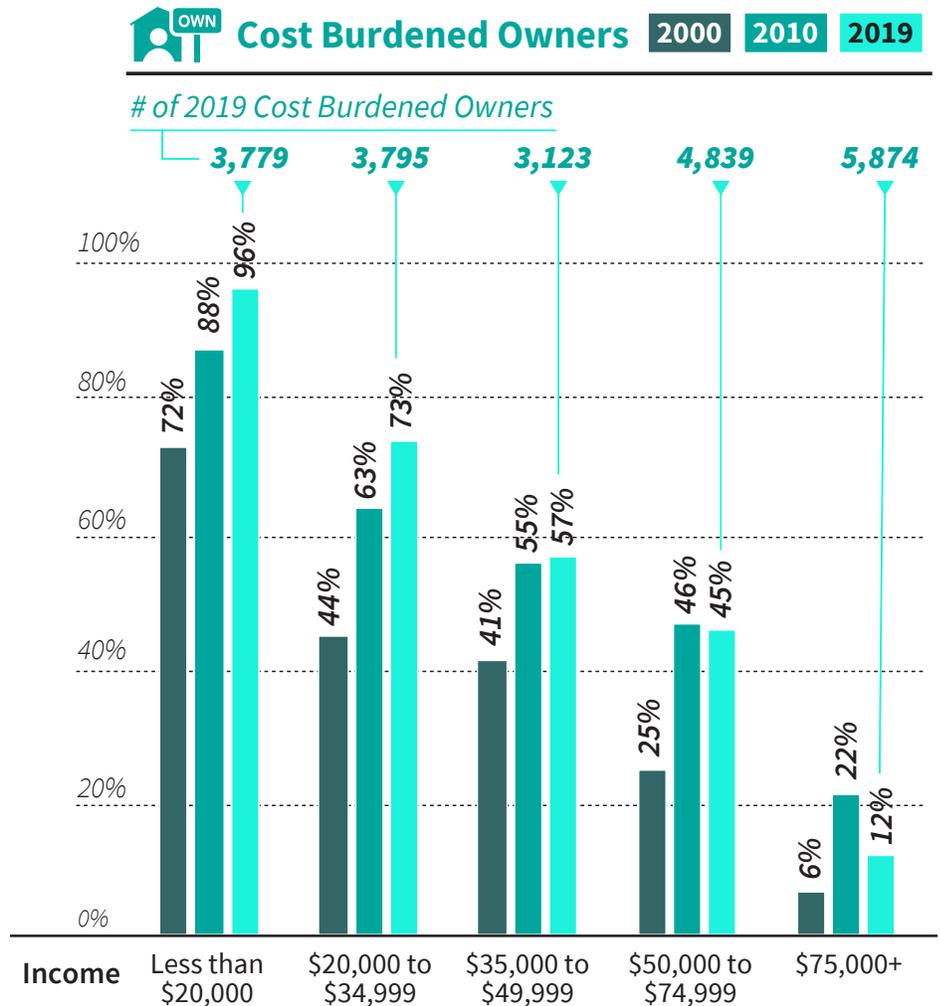
Owners

The majority (72%) of Dutchess County owners did not face a cost burden as of 2019. Of the estimated 21,410 households that did, 50% had incomes under \$50,000, 23% had incomes between \$50,000 and \$74,999, and 27% had incomes of \$75,000 or more. The proportion of owners facing a cost burden has risen in every income category since 2000.

Determining the circumstances of an owner’s cost burden is not always easy. Generally speaking, mortgage lenders will not finance a home purchase if the borrower will face a cost burden. To do so is to increase the lenders’ risk that the loan will not be repaid. In addition, the costs of ownership are not usually subject to rapid increase.

Once a household already owns a home, however, cost burden can result from a variety of factors that could reduce household income without reducing housing costs, including retirement, health issues, divorce, or job loss. Some housing costs, if they grow faster than a household’s income, can contribute to a cost burden. Examples include taxes and utilities.

Housing Cost Burdens, 2000, 2010 and 2019



Source: 2000 Census, 2006-2010 and 2015-2019 ACS Five Year Estimates



Cost Burdened Renters

2000 2010 2019

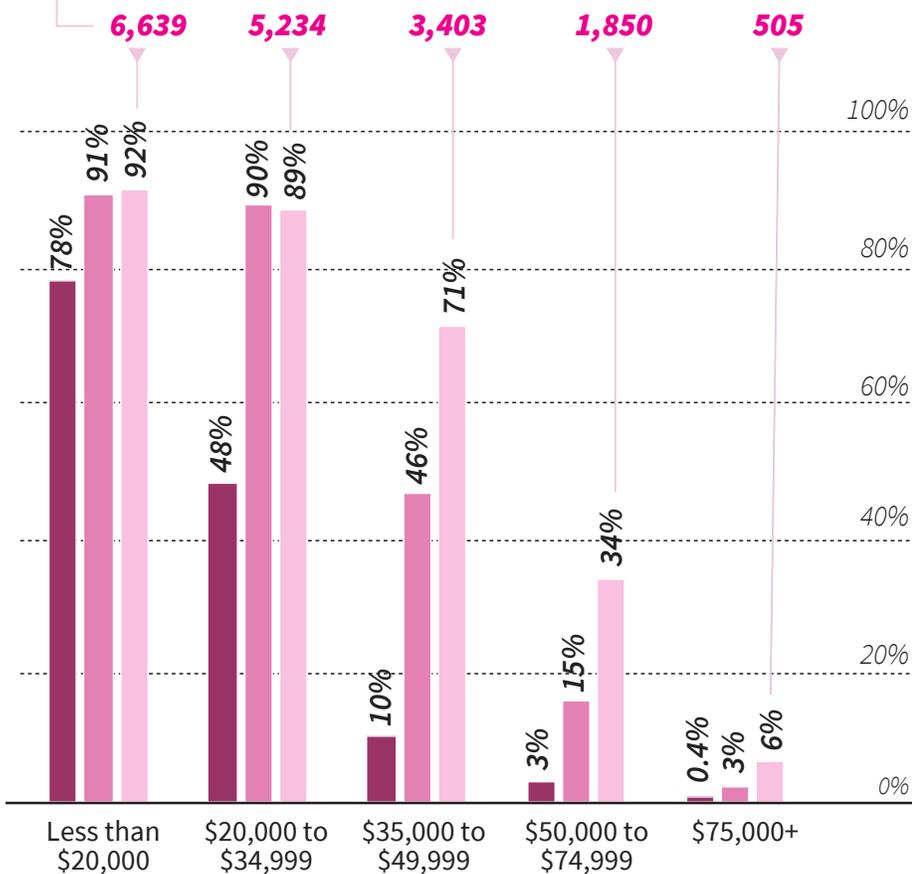
Renters

As of 2019, over half (52%) of all Dutchess County renter households faced a cost burden. Of the estimated 17,631 cost burdened renters, 86% of them had incomes under \$50,000. Roughly 90% of all renter households with incomes less than \$35,000 have faced a cost burden since 2010, with high rates of cost burden going back to at least 2000. Renter households with incomes from \$35,000 to \$74,999, although cost burdened in smaller proportions than lower-income renters, have seen steady increases in their rates since 2000 as well. As rents increase, cost burdens impact households at higher and higher incomes.

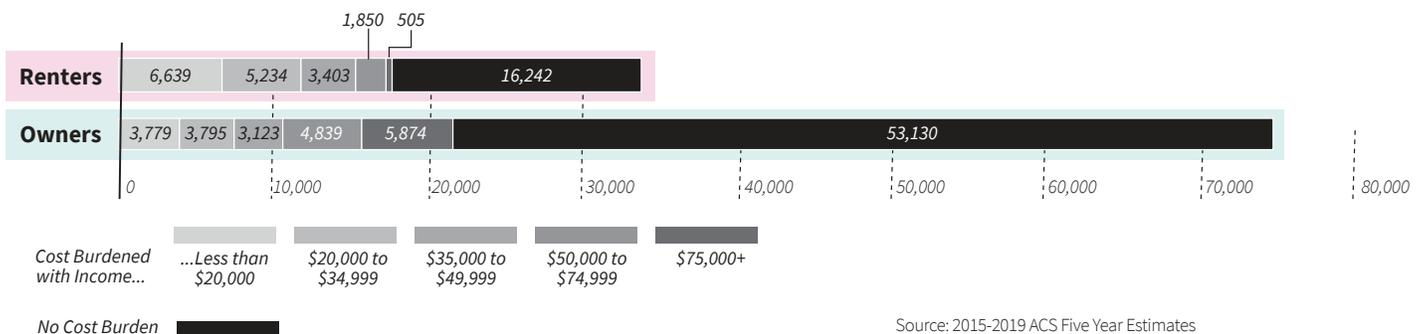
The reasons for rental cost burdens are easy to understand: rents are not fixed in most cases for more than a single year, and they go up regularly in line with market conditions and rental property owner costs, while incomes do not.

Break even rents for newly constructed market-rate units are usually between \$1,500 and \$2,000 per month and this range is not affordable until annual household income reaches \$60,000. Even older rental units are difficult to maintain for much less than \$1,000 per month, affordable only at an income of \$40,000. It is virtually impossible for the private sector to provide a unit for \$500 per month, which defines affordability for more than 7,000 county renter households with incomes below \$20,000.

of 2019 Cost Burdened Renters



Number of Cost Burdened Households by Tenure and Income, 2019



Source: 2015-2019 ACS Five Year Estimates



Income Disparities

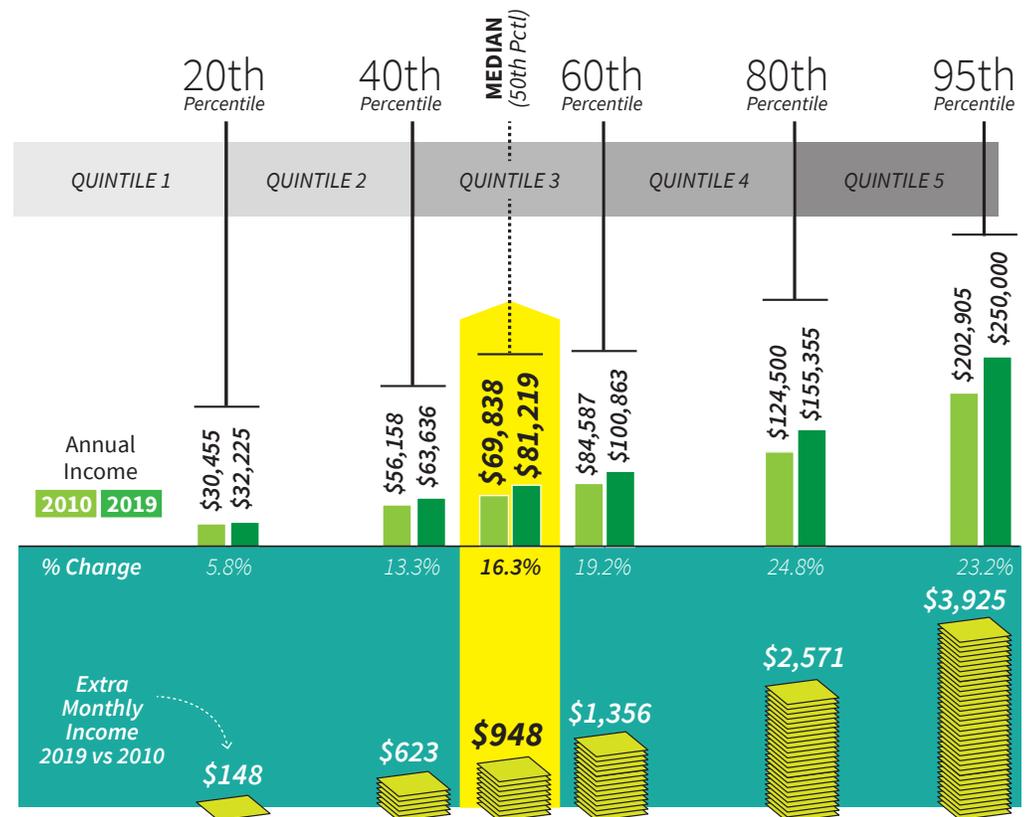
The housing market is working fine for some households but not others. More than half of homeowners have incomes above \$100,000 and enjoy good affordability while lower-income households, particularly renters with variable housing costs, struggle. What are the factors at play that cause such disparities?

Income Gains Flow to the Top

One way to look at the county's income distribution is to break it into five equally sized groupings of households called quintiles. The Census Bureau's American Community Survey reports the annual income at the very top level of each one of the five quintiles for both 2010 and 2019. The top levels of the five quintiles are the 20th, 40th, 60th, 80th, and 95th percentile (the top of the highest quintile is reported as the 95th percentile because the extreme variation in the top 5% makes the data less useful if included). In the middle of the third quintile—the 50th percentile—is the county's median household income.

The relative differences between low, median, and high incomes within this distribution were already stark in 2010, but between 2010 and 2019 the differences increased. The fourth and fifth quintiles saw both the greatest absolute increases and the greatest percentage increases. While all income levels got more money in their pockets each month to spend on housing between 2000 and 2019, the amounts varied. The median household gained \$800 more each month than the household at the 20th percentile gained. The 80th percentile household gained over \$1,600 more than the median household gained. These differences matter because the housing market is a never-ending series of auctions and those with more money to spend will bid up the prices. In recent years, the top half of the market—especially the top 20-25%—has experienced income gains that allow it to bid up housing prices and the bottom half of the market simply cannot compete.

Dutchess County Income Quintiles, 2010 vs 2019



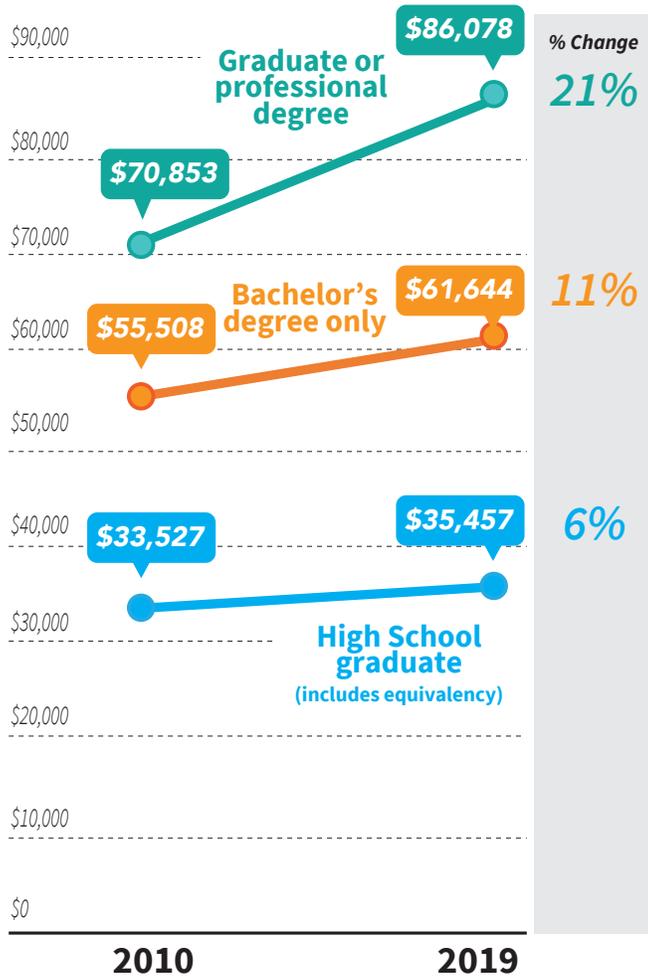
Source: czb analysis of data from 2006-2010 and 2015-2019 ACS Five Year Estimates

Higher Levels of Education Drive Higher Incomes

In the modern economy, “returns to education” have grown. The income benefits due to increased educational attainment are indisputably clear, and data specific to Dutchess County tell the story. Median earnings for college graduates in the county grew at almost twice the rate of those without a degree between 2010 and 2019. Median earnings for those with advanced degrees grew nearly twice as fast as those with only an undergraduate degree and over three times as fast as those with just a high school education.

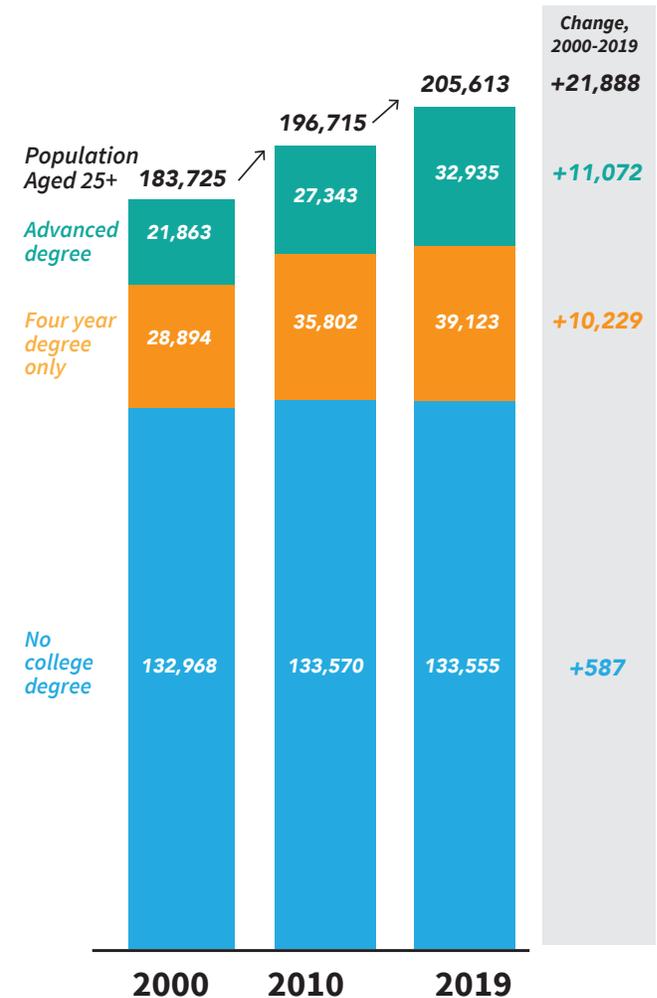
Almost all the increase in the adult population (aged 25 and older) between 2000 and 2019 consisted of college graduates, with more than half holding advanced degrees. This growth in well educated adults helps drive higher incomes and greater purchasing power at the top of the income distribution, putting pressure on housing values and rents and adding to the affordability challenge.

Median Earnings by Educational Attainment, 2010 vs 2019



Source: czb analysis of data from 2006-2010 and 2015-2019 ACS Five Year Estimates

College Degree Attainment, 2000, 2010 and 2019



Source: czb analysis of data from 2000 Census, 2006-2010 and 2015-2019 ACS Five Year Estimates

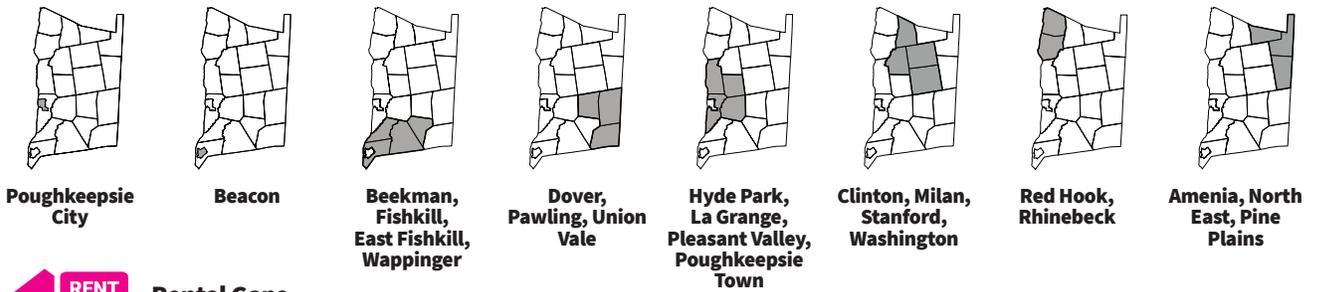


How Different Areas of the County Compare

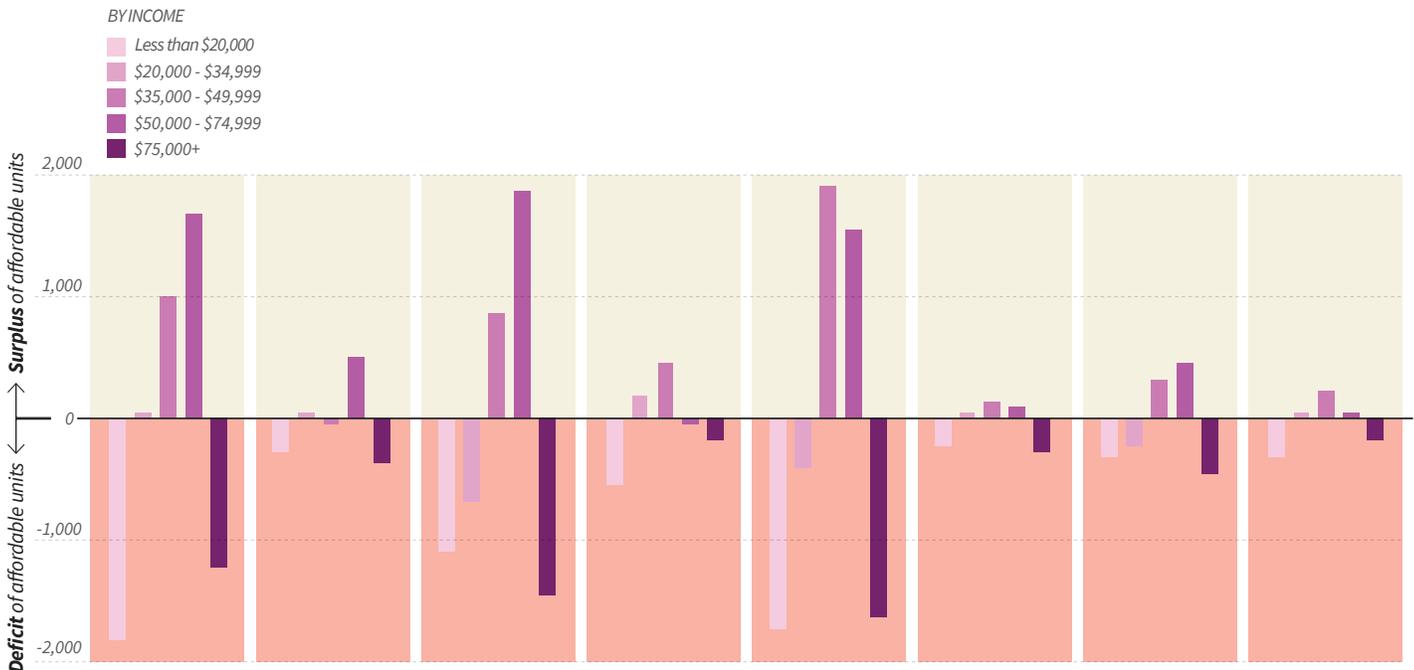
Rental Sub-Markets



When the county is divided into smaller urban, suburban, and rural sub-markets, it is clear that countywide rental trends were evident everywhere as of 2019. The household income segments most mismatched with existing rental housing supply were under \$20,000 and \$75,000 or more, with the towns surrounding Beacon and Poughkeepsie also displaying shortages for renters with incomes between \$20,000 and \$34,999. Those groups of households instead rent from the excess units affordable to income ranges in between. When this happens, it is a good deal for the higher-income households and results in cost burdens for the lower-income households. It also puts upward pressure on the rents for the “middle” units over time as landlords seek to cater to the higher-income renters.

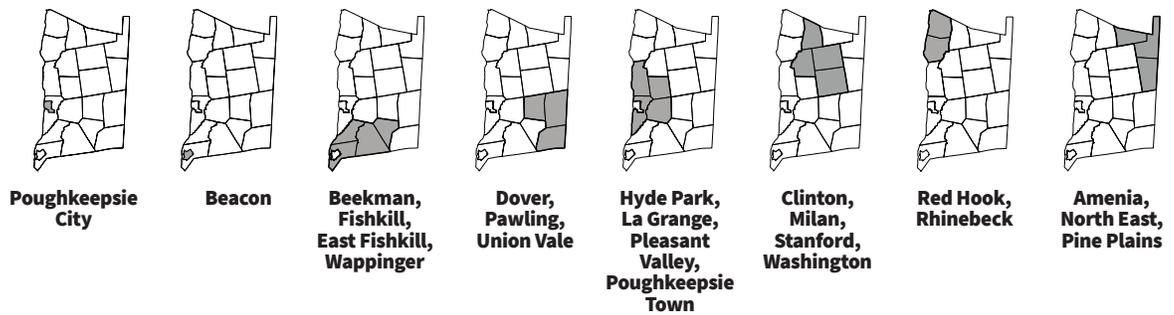


RENT Rental Gaps

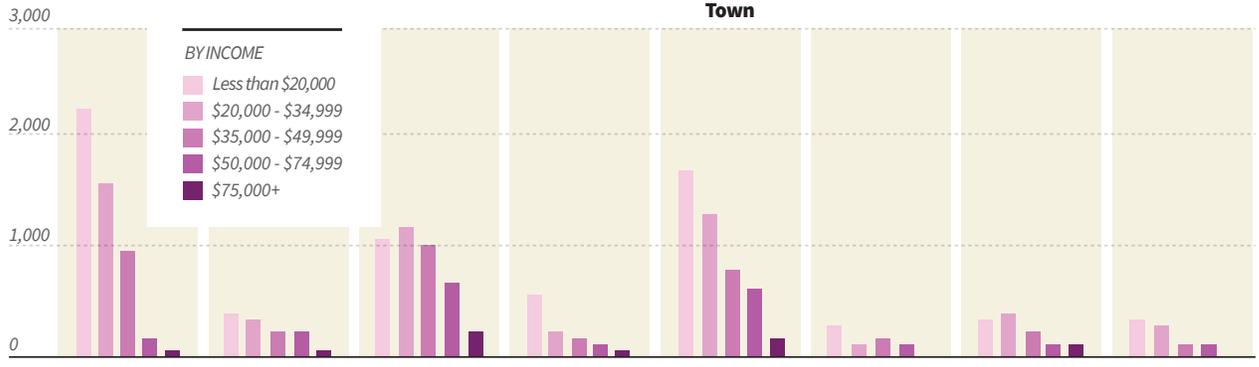


Source: czb analysis of data from 2015-2019 ACS Five Year Estimates

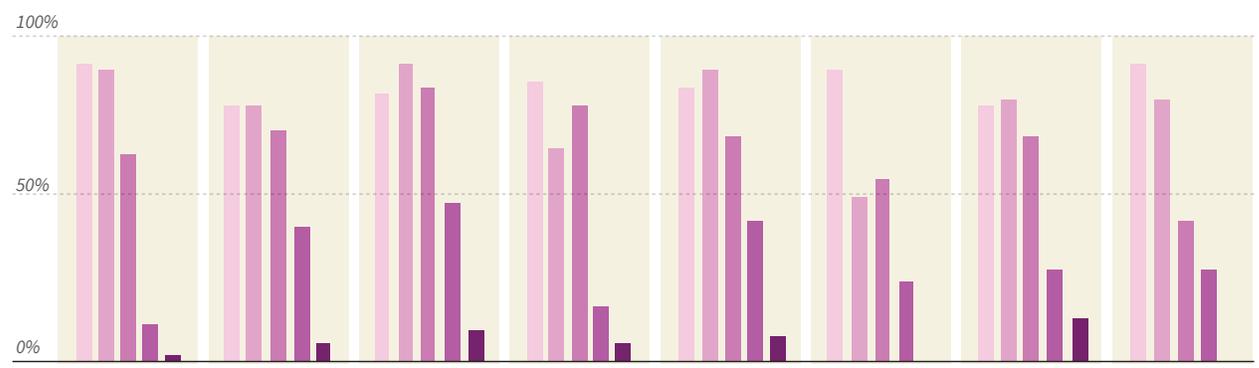
Rates of cost burden, meaning renters pay more than 30% of their monthly incomes for housing, were high around the county for all incomes under \$50,000, but renters with incomes between \$50,000 and \$74,999 were also cost burdened at fairly high rates in Beacon, the sub-area around Beacon, and the suburban sub-area around the City of Poughkeepsie.



Number of Cost Burdened Renters



Percentage of Renters Cost Burdened



Source: czb analysis of data from 2015-2019 ACS Five Year Estimates

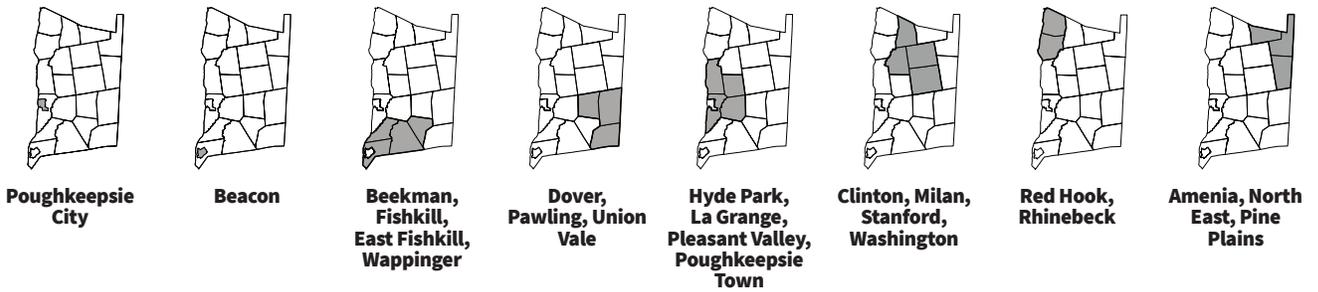


How Different Areas of the County Compare

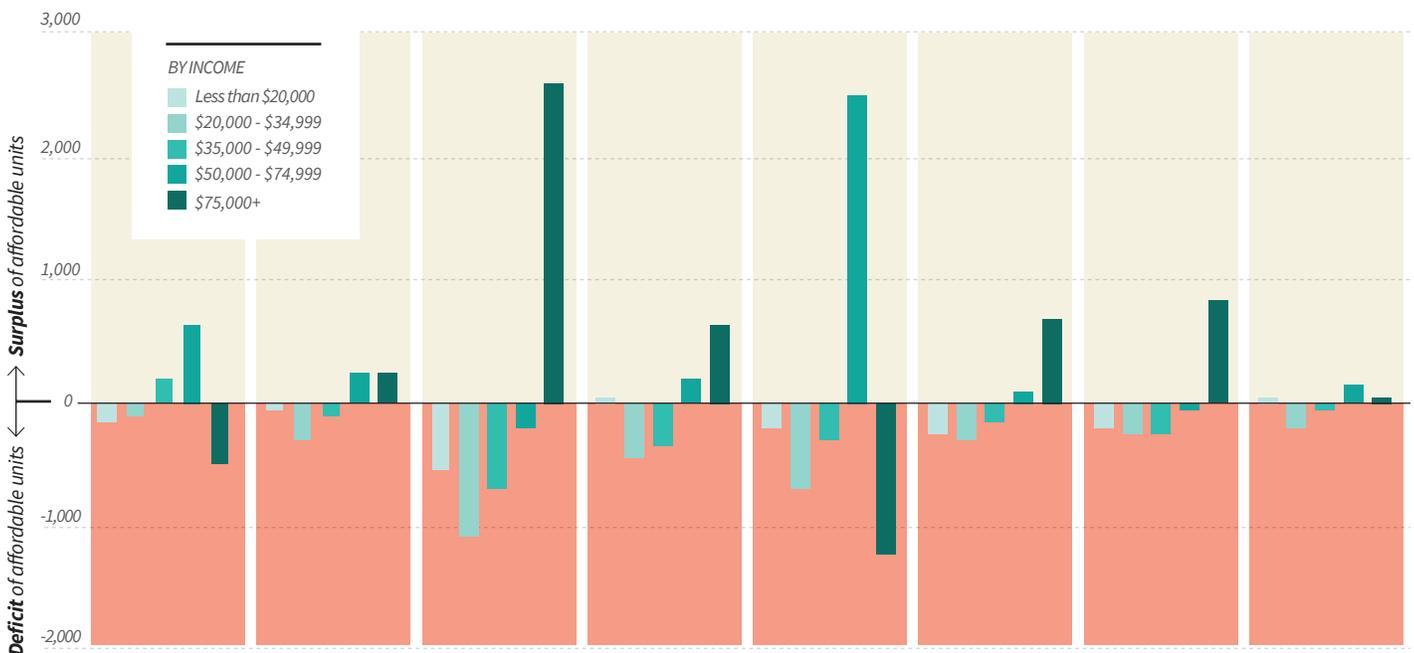
Ownership Sub-Markets



Across specific areas of the county, ownership markets were somewhat better balanced than rental markets in 2019, as determined by a gap analysis, but with a few exceptions. In the suburban and exurban sub-markets of the west, southwest, and southeast parts of the county, there were clear shortages of units with values affordable to incomes below \$50,000. The apparent excess of units affordable to households with incomes at or above \$75,000 in the southeast, southwest, northwest, and north central parts of the county reflects the prevalence of home values at and above \$225,000. As described on page 21, the households in those areas for whom there are not enough units matched to their incomes are living in more expensive units than their incomes indicate they can afford. In the sub-area surrounding the City of Poughkeepsie, units affordable to household incomes between \$50,000 and \$74,999 were oversupplied and those extra units were taken up by households in both higher and lower income ranges.

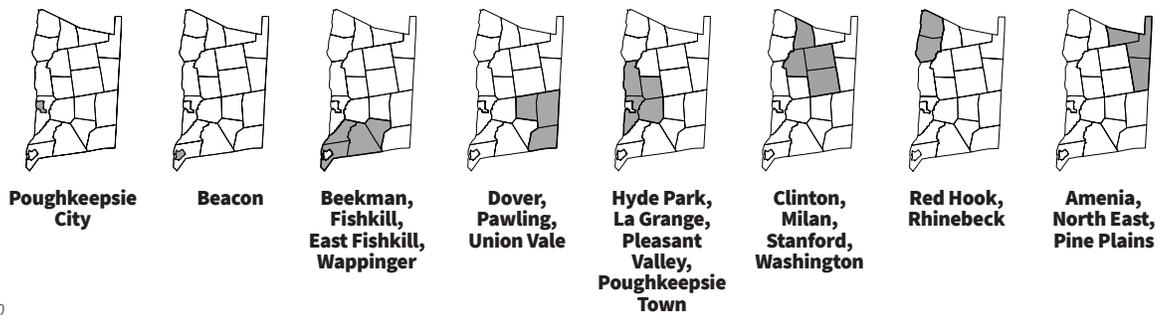


OWN Ownership Gaps

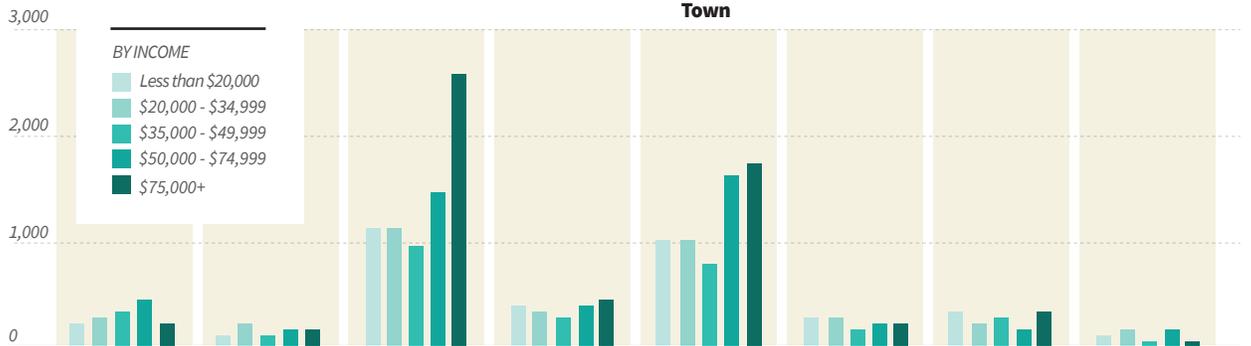


Source: czb analysis of data from 2015-2019 ACS Five Year Estimates

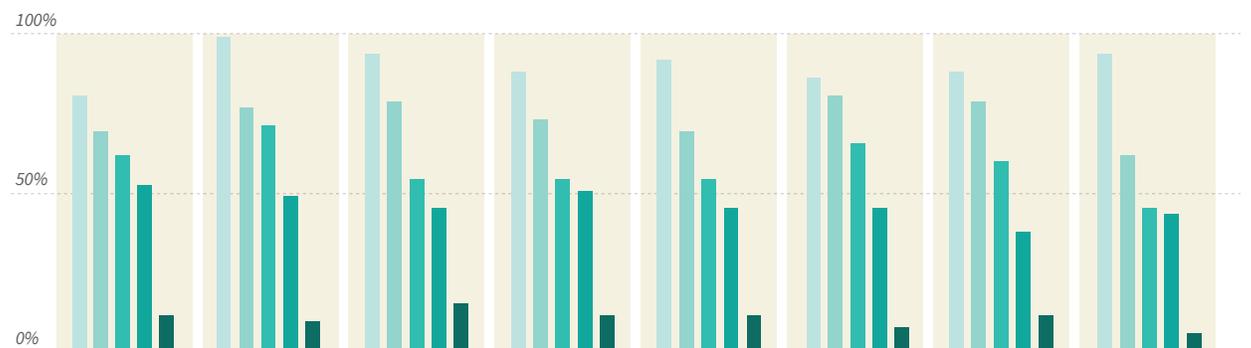
Rates and patterns of cost burden, meaning owners pay more than 30% of their monthly incomes for housing, are quite similar across the sub-markets. The reasons for cost burden are varied and difficult to ascertain, as described on page 22.



Number of Cost Burdened Owners



Percentage of Owners Cost Burdened



Source: czb analysis of data from 2015-2019 ACS Five Year Estimates



KEY TAKEAWAYS

What do these findings suggest about “catching up” with existing housing needs?



Ownership Market

The values and sales prices of ownership units (mostly single-family houses) are now at levels that mean any household earning less than \$100,000 will struggle to purchase a home. Gap analysis indicates a shortage of 6,688 ownership units for owner households with incomes of less than \$50,000. The implication of the shortage is, first, that the 6,688 owners represent a group who could not afford to buy the homes they are living in today if they had to purchase at today’s values and, second, that the next buyer of a home owned by one of these households will need a higher income than the existing occupant. Indeed this has been playing out across the county. The only owner income category that grew between 2010 and 2019 was \$150,000 or more, while every income category below that level decreased.

Cost burden rates as of 2019 are high and/or rising for households with incomes below \$75,000, with non-mortgage costs playing a larger role for the lowest-income households. Amongst cost burdened households with incomes below \$20,000, 64% are not paying a mortgage. Amongst those with incomes between \$20,000 and \$34,999, 47% are not paying a mortgage. As incomes rise, the likelihood that a cost burdened owner household has a mortgage greatly increases. The lowest-income owner households may be facing taxes and utility costs that exceed 30% of their annual income even if their homes are paid off—fixed-income seniors may fit this profile. Higher-income households facing a cost burden likely do so at least partially because of a mortgage payment, and this could be due to households stretching to buy more than they can really afford, or it could be due to a decrease in income during the time they owned the home.



Rental Market

To some extent, gaps and cost burdens are much simpler to understand in the rental market than in the ownership market because the only real factors at play are monthly rent and income, as opposed to all the complexities of various ownership situations. Where unaffordability exists in the rental marketplace, it simply means that monthly gross rent exceeds 30% of monthly gross income.

The vast majority of renter households with incomes below \$50,000 are cost burdened as of 2019 and gap analysis indicates a shortage of 2,155* rental units affordable to these households. The number of renter households in this income range remained largely unchanged between 2010 and 2019 while nearly all renter household growth occurred in the income category at or above \$100,000 (85% increase).

While some households with annual incomes below \$50,000 are likely chronically poor, others are working full time or living on retirement income. In many cases, the difference between affordability and cost burden will be but a few hundred dollars each month, and there are a number of tried-and-true affordable rental housing tools that suggest this group of renters should be a strong focus going forward.

*This shortage is drawn from the gap analysis presented on page 21 for renting households earning less than \$50,000. The deficits and surpluses for the three income categories below \$50,000 were added together to arrive at this figure.

KEY TAKEAWAYS

What are the key takeaways of Part 1?

There are no clear culprits in the rise of housing costs. But important long-term trends have matured, and they are part of the cause.

Population growth, household growth, and employment growth are usually key drivers of housing demand, but they have been gradual in Dutchess County in recent decades. There is no clear evidence that Dutchess has an “underbuilding” crisis (although, all things being equal, more housing certainly would be better for affordability). Rather, affordability challenges in the county resemble “death by a thousand cuts,” including the hard-to-quantify phenomenon of second or seasonal homes that reduce the housing supply for permanent residents.

One clear demand-side story is that the top half of the market has done very well economically in this century while the bottom has been stuck in place, and the middle is increasingly squeezed. The top of the market is composed of many homeownership, well-educated, well-compensated, married couple families and their housing demand is a powerful force impacting those farther down the housing ladder.

“Missing Product” at High and Low Ends

There are thousands of owner and renter households in Dutchess County paying more than they can afford, as seen in both the gap analysis and the cost burden figures. The market-based housing production system is not able to rectify these imbalances.

Meanwhile, Dutchess County’s housing market is growing at the upper end of the income spectrum. Between 2010 and 2019, the county lost an estimated 9,399 owners with incomes below \$150,000 while gaining an estimated 8,461 owners with incomes at or above that amount. During that time, the county gained an estimated 2,399 renter households, of which an estimated 2,370 had incomes of at least \$100,000. There are thousands of owner and renter households who are living in housing units that cost less than their capacity to pay for them.

More Housing Could Help

The cost of new housing is hundreds of dollars per square foot, and costs have risen substantially over the years even as those with low incomes have not seen much in the way of income growth. New affordable housing development, especially rental housing for households with incomes below \$50,000, if substantial enough, will help to meet what is clearly a deep housing need. This housing cannot and will not be built without significant subsidy and other public sector supports, such as zoning changes and infrastructure investment.

New market-rate housing for six-figure households, both renter and owner, could help relieve pressure on rents and home prices in the middle if the addition of new supply outpaces growth in demand.

Getting More Money into the Hands of Renters

The primary housing affordability problem for renters in Dutchess County is not that rents are incredibly high—the county’s 2019 median gross rent of \$1,220 is not a figure that would make a new rental unit financially feasible for a developer, a builder, or a rental operator—but that roughly half of Dutchess renter households do not have incomes high enough to pay the rent in the local marketplace. Programs such as Housing Choice Vouchers have been in place for many years to effectively increase the amount of income that low-income renters have to procure housing. Even if many more rental units are built, additional subsidies beyond the existing supply of vouchers will still be necessary to close current affordability gaps.

Intervention Requires Pragmatic and Achievable Goals

The difficulty of different interventions, the associated costs, and the nature of the tools available suggest that the County **strongly focus on renters with incomes below \$50,000 as its “catch up” responsibility**. This group represents 14% of Dutchess households, they do not have the option to buy a home, and they are the most vulnerable to uncontrolled housing price increases. The estimated number of interventions is 2,155 and more information about how the need might be met will be discussed in Part 3.

PART 2

Housing Needs Tomorrow

There is no way to perfectly predict how the household landscape in Dutchess County will change over the next two decades and, consequently, how the housing needs of the county will evolve. However, scenarios based on educated assumptions about the future offer a way to understand the range of possible issues the community might face.

The three scenarios summarized on the following pages are meant to serve this purpose for Dutchess County. They demonstrate how the household landscape in 2030 and 2040 might differ from conditions of today and the recent past, as presented in Part 1. And they provide added context and direction for the implementation of policies and strategies outlined in Part 3.



34	A Framework for Testing Alternative Futures
36	Baseline Scenario
38	Scenarios - Overview
40	Scenarios - Results and Analysis
42	Key Takeaways



A Framework for Testing Alternative Futures

A Focus on Six Household Types

Projections of future housing needs mean very little unless they demonstrate how the number and characteristics of the consumers of housing units—households—might change over time. Every household translates to an occupied housing unit.

The scenarios for this Housing Needs Assessment are centered around the total number of households that might live in Dutchess County in 2030 and 2040. **Six household types that represent over 90% of all households are used here to explore future housing needs.**

Note: Household types that are not among the six used in Part 2 are fully considered by all analysis in Part 1 and strategy recommendations in Part 3.

These six types are divided into two categories by age. Two of the types represent households where the householder is 65 or older, and the other four represent households where the householder is under 65.

Householder Under 65



Married with kids



Married with no kids



Single parents



Single living alone

Householder 65+



Married



Single living alone

○ The Scenarios

SCENARIO #1

What if recent demographic and household trends continue?

SCENARIO #2

What if the population grows faster than expected?

SCENARIO #3

What if traditional notions of household formation change?

Three scenarios were designed to demonstrate a range of potential changes that might occur to the six household types and to the county's overall household landscape by 2030 and 2040. Each is based on distinct "What if?" assumptions and is grounded to two data sources: the American Community Survey for baseline conditions in 2010 and 2019 and population projections for 2030 and 2040 from Cornell University's Center for Applied Demographics.



BASELINE

Where we are today

The income, tenure, and growth characteristics of these households over the past decade are distinct and provide baseline conditions and trends for building and understanding the potential impacts of the three scenarios.

Part 1 of this Housing Needs Assessment goes into greater detail on factors that have recently shaped housing demand and need in Dutchess County. Many of those factors are apparent in the baseline characteristics for the six household types used here in Part 2.

Important trends that impact housing demand and needs



Married households, regardless of age, and single seniors all experienced **income growth** beyond inflation, adding to their purchasing/renting power



Single parents saw their already **low incomes stagnate**, further diminishing their purchasing/renting power



Total number of households grew due, in part, to shrinking household size



Number of **senior households grew** by 29%, while households **under 65 declined** by 7%



25% drop in **married households with kids**

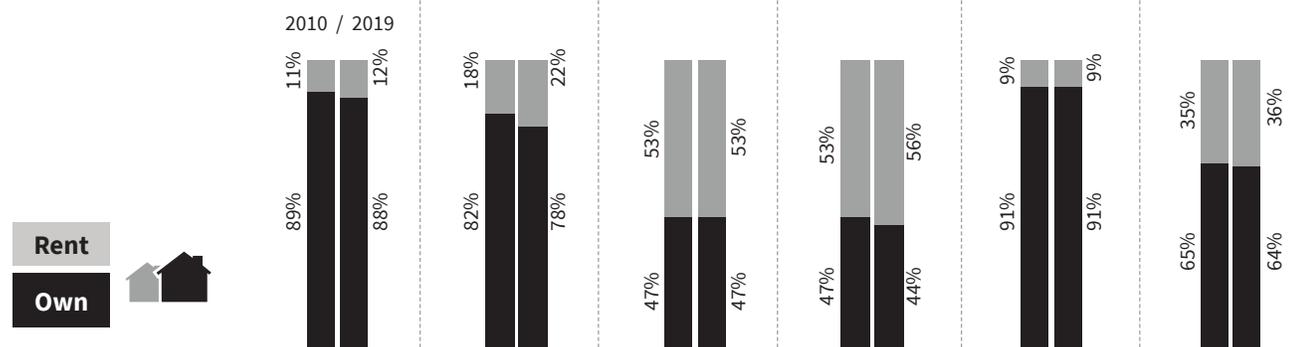
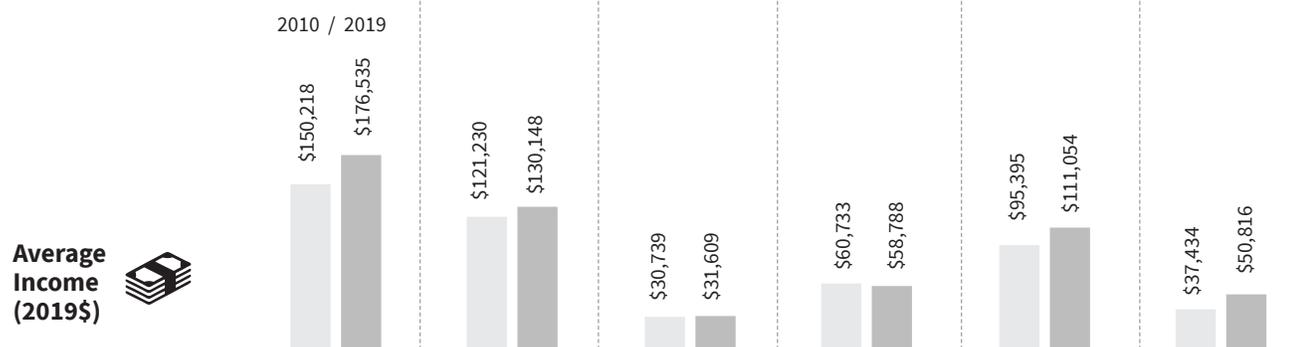


Married couples with no kids and younger **single households** saw **growth in renting**

Householder Under 65

Householder 65+

		 Married with kids	 Married with no kids	 Single parents	 Single living alone	 Married	 Single living alone
Number	2010	23,254	24,277	13,597	16,966	10,415	10,077
	2019	17,473	25,085	13,549	16,605	13,741	12,655





TOTAL HOUSEHOLDS

2010 ----- **106,952**

2019 ----- **108,413**

Source and Notes: czb analysis of 2006-10 and 2015-19 ACS 5-year estimates; 2010 average income figures adjusted to 2019 values based on consumer price index; total households includes those not categorized into the six household types



Scenarios - Overview

Each of the three scenarios uses the 2010-2019 baseline as a foundation and are based on a series of assumptions tied to a specific premise.

Premise

SCENARIO #1

What if recent demographic and household trends continue?

Scenario #1 uses the population projections from Cornell’s Center for Applied Demographics to estimate the **number of households in each of the six household types for 2030 and 2040**. These projections simply extend recent demographic trends and composition into the future.

SCENARIO #2

What if the population grows faster than expected?

Cornell’s population projections anticipate continued growth in New York City and other parts of the Mid-Hudson region. Scenario #2 assumes that Dutchess County will experience some of these regional demand pressures and actually **grow at a rate similar to Westchester County’s recent rates**.

SCENARIO #3

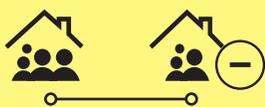
What if traditional notions of household formation change?

After decades of gradual declines in household size in the U.S., this metric has been static for almost a decade. If mid-20th Century assumptions about **household formation and size become increasingly irrelevant** as aging of the population accelerates and as the traditional nuclear family becomes a smaller and smaller share of all households, there could be an uptick in inter-generational and non-family households. Scenario #3 explores this possibility.

Distinguishing Assumptions*



Dutchess County experiences **modest population loss and continues to age**, as projected by Cornell's Center for Applied Demographics



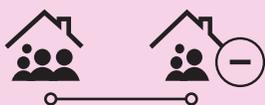
Contemporary assumptions about household formation persist, resulting in **slight declines in household size**



Dutchess County experiences **population growth** similar to Westchester County's growth rate between 2000 and 2020 (0.4% per year)



Growth occurs evenly **across all age groups**



Contemporary assumptions about household formation persist, resulting in **slight declines in household size**



Dutchess County experiences **modest population loss and continues to age**, as projected by Cornell's Center for Applied Demographics



Contemporary assumptions about household size and formation break down; an increase in inter-generational and non-family households (roommates) leads to a **modest uptick in average household sizes**

Common Assumptions*

Recent patterns of **change in average household income and tenure persist** into the future, but with **income growth rates adjusted** to smooth out the volatility of the past decade

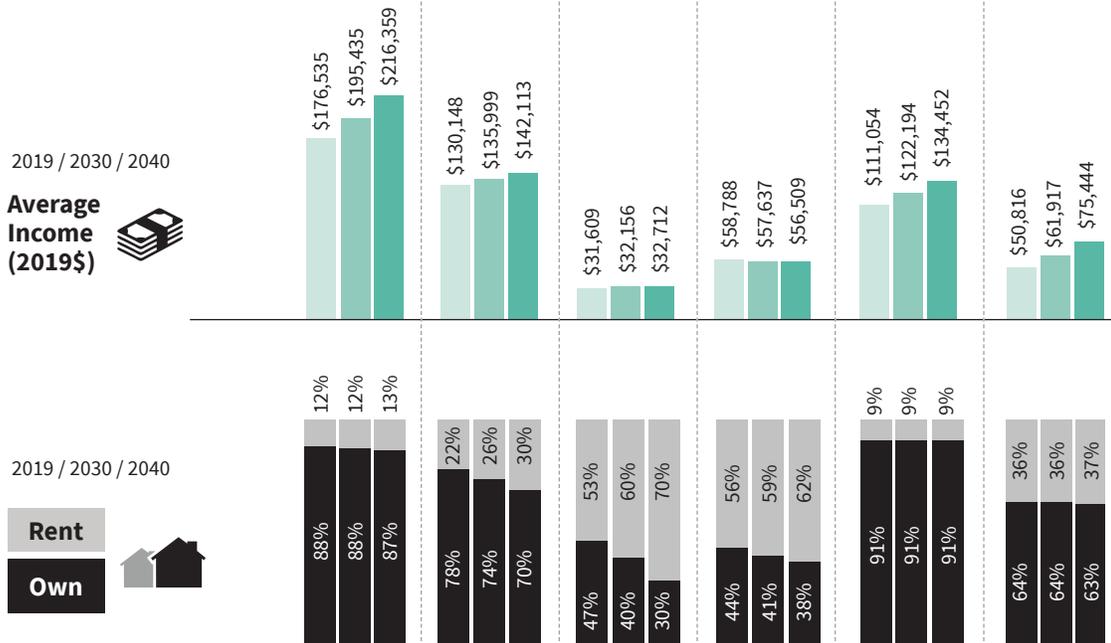
**See the Appendix for more detail on the assumptions for each scenario.*



Scenarios - Results and Analysis

The table below presents the results of the three scenarios, including change in the total number of households over time and change in the distribution of households across the six household types. Income and tenure results, at the bottom of the table, are the same for all three scenarios.

	Householder Under 65				Householder 65+		TOTAL Households	
	Married with kids	Married with no kids	Single parents	Single living alone	Married	Single living alone		
SCENARIO #1								
What if recent demographic and household trends continue?	2019	17,473	25,085	13,549	16,605	13,741	12,655	108,413
	2030	12,976	18,383	10,273	12,435	23,838	20,070	107,174
	2040	12,706	18,001	10,059	12,177	24,299	20,287	106,686
SCENARIO #2								
What if the population grows faster than expected?	2019	17,473	25,085	13,549	16,605	13,741	12,655	108,413
	2030	13,545	19,189	10,723	12,981	24,884	20,951	111,875
	2040	12,706	18,790	10,500	12,711	25,365	21,176	111,366
SCENARIO #3								
What if traditional notions of household formation change?	2019	17,473	25,085	13,549	16,605	13,741	12,655	108,413
	2030	12,476	17,675	9,877	11,956	22,443	18,895	103,692
	2040	11,835	16,766	9,369	11,342	21,232	17,725	100,305



Sources and Notes: Results are based on czb analysis of baseline data from 2006-10 and 2015-19 ACS 5-year estimates, as well as population projections for Dutchess County from the Cornell University Center for Applied Demographics; the total number of households presented for each scenario reflects the six household types plus all other household types; see Appendix for detailed notes about assumptions and adjustments.

What do the results tell about the implications of these scenarios and how they differ from one another?

Total Households



#1

#3

The total number of households shows a **net decline from the 2019 baseline under Scenarios #1 and #3**, due to assumptions of gradual population loss and—**under Scenario #3—a rise in household size.**



#3

#2



Under **Scenario #2, the total number of households in the county would grow by 2030** as a result of population growth and smaller household sizes. The county would still lose population and households after 2030 due to aging. But the **total number of households in 2040 would still exceed Scenario #1 by nearly 5,000.**

Distribution of Household Types



#1

#2

#3

Under **all three scenarios, the two household types over age 65 will grow considerably** through 2040 as middle-aged households become seniors and their household sizes shrink; they will go from constituting **24% of all households to nearly 40%**. The four household types under age 65 will decline but still represent a majority of all households.

#3



The results of Scenario #3 shows distributions similar to Scenarios #1 and #2 while accounting for the impact of **larger average household sizes** and a **rise in households that do not fit neatly into the six household categories.**

Average Income and Tenure



#1

#2

#3

Under all three scenarios, **gaps between the highest income and lowest income household types will grow wider**, as recent trends continue.



#1

#2

#3

Under all three scenarios, **single parents remain economically vulnerable** as incomes stagnate, prospects for affordable homeownership dwindle, and rent-to-income ratios worsen.

Overall differences between these scenarios are small and reflect a mostly stable population.

Even if less conservative projections were used for a fourth scenario, such as those developed by the New York Metropolitan Transportation Council (NYMTC), potential household totals for 2040 would range from 100,000 at the low end (Scenario #3) to roughly 120,000 at the high end (NYMTC). This range is relatively narrow and suggests that differences in housing policy at either end of the range would also be narrow.



KEY TAKEAWAYS

Implications for Future Housing Needs

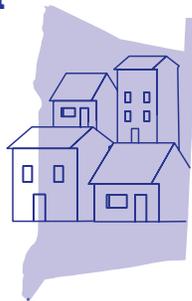
Total Catch Up
2,155
interventions
to resolve
existing cost
burdens



Part 1 concluded by introducing the concept of “catch up” to Dutchess County housing needs—a figure (2,155) that represents the number of additional household-level interventions that are needed to substantially address levels of housing need in the county. These are needs that have accumulated over recent decades.

In a community that is growing, addressing the “catch up” needs of the housing market are distinct from addressing the “keep up” needs, which include the needs that emerge year-by-year on top of any catch up needs. Therefore, catching up and keeping up are, together, useful ways to understand the scale of intervention needed to address housing needs today and into the future.

Incremental Catch Up
108
interventions
PER YEAR
going forward to
address existing and
future housing needs



According to Cornell’s population projections, however, Dutchess County may experience limited levels of growth. The scenario that is most confident about growth (#2) projects only a small number of additional households in 2030 and 2040. Limited growth, combined with anticipated declines in the total number of household types with the lowest incomes (single parents and single living alone) are likely to result in “keep up” needs that are relatively small in comparison to Dutchess County’s current “catch up” figure.

Consequently, **the future housing needs in Dutchess County can best be met by addressing the current backlog of need represented by the catch up estimate of 2,155 total interventions.** To break that number into a realistic annual pace going forward, this housing needs assessment defines an **incremental catch up** pace that is 1/20th of the total catch up need—or 108 additional interventions per year over the next 20 years.

Note: ‘Intervention’ is broadly defined by this report and includes, but is not equivalent to, the construction of a new housing unit. Other interventions include the provision of housing vouchers, the placement of income restrictions on existing but formerly unrestricted housing, and providing access to affordable homeownership.

KEY TAKEAWAYS

What are the key takeaways of Part 2?



Dutchess County is unlikely to experience housing pressures as a result of growth in total households.

Two of the three scenarios show a net decline in households of between 1.5% and 7.5% by 2040. Even the growth-oriented scenario suggests only a modest uptick (less than 3%) in the number of households to house by 2040.



Continued income growth and widening income gaps mean that competition at the top of the market is likely to exert down-market pressures into the future.

All three scenarios make conservative downward adjustments on income growth rates (cutting the actual rates experienced between 2010 and 2019 in half). Even so, income growth is projected to remain strong for most of the six household types while continuing to lag for others—especially single parents and younger people living alone, for whom homeownership will be increasingly out of reach.



Rapid growth in households over age 65 will present the county with senior housing needs on a much larger scale.

While the average income for households over 65 is projected to show strong growth, there will also be a growing number of senior households that struggle. And older households with limited financial resources have some distinct needs compared to younger households.

Meeting the housing needs of seniors, however, will require caution. Building age-restricted housing is one common way to meet these needs, but over reliance could result in a surplus of such housing after the need has crested.



Approximately 100 additional interventions per year is modest but still significant

Keeping up with emerging housing needs year after year will be less demanding if Dutchess County continues to grow slowly, which means that making incremental progress on the existing backlog of 2,155 interventions is the best way to address future needs. But roughly 100 additional interventions per year, going forward, is still a significant number that will require a proactive strategy.

A Strategy for Action

As noted in the Introduction, a shortage of affordable housing is nothing new to Dutchess County. Today's housing needs are eerily similar to those reported in the late 1980s and subsequent years. And, as projections of the future suggest, the overall dynamic of today's housing market can be expected to carry forward—with a large and growing share of households that are able to comfortably afford their housing alongside a substantial number of households with low or stagnant incomes that will struggle if unassisted.

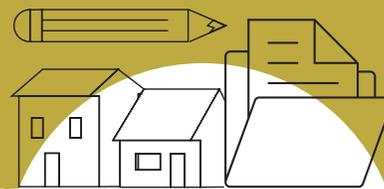
Housing needs identified in Part 1, as well as future needs suggested by the scenarios in Part 2, provide context to assist Dutchess County and local jurisdictions as they consider the development of responsive housing strategies. Part 3 offers recommendations that can assist county and local strategy development, including annual and long-term intervention goals and potential policy, financial, and programmatic tools to meet those goals.



46 **Establish goals to address housing needs**



50 **Develop and use a diverse toolkit**





Establish goals to address housing needs

Total Catch Up

2,155

interventions to resolve existing cost burdens



Incremental Catch Up

108

interventions

PER YEAR

going forward to address existing and future housing needs



Parts 1 and 2 of this Housing Needs Assessment presented the scale of intervention necessary to significantly address housing needs not met by existing housing systems or programs. These were described in terms of the **estimated number of household-level interventions—in addition to current interventions—that would substantially address existing shortcomings (catch up)** and the **manageable pace of interventions per year, going forward, that would help Dutchess County address existing and future needs (incremental catch up)**, which is equivalent to 1/20th of the total catch up. The 20-year time-frame for catching up may, of course, be accelerated as resources allow.

These additional* interventions can take the form of new affordable units built, new income-restrictions placed on existing units that are unaffordable, and efforts that directly assist households with housing costs or procurement. Regardless of the form of intervention, it is recommended that the focus remain on the needs of households making less than \$50,000.

**Additional is defined as interventions over and above the following: (1) the current number of housing vouchers used in Dutchess County, (2) the current number of public housing units, (3) the current number of income restricted housing units outside of public housing facilities, and (4) the recent pace of income-restricted housing development. As is noted in Part 2, 'intervention' is broadly defined by this report and includes, but is not equivalent to, the construction of a new housing unit.*

In 2020, there were 3,995 households living in subsidized housing in Dutchess County according to A Picture of Subsidized Households by the U.S. Department of Housing and Urban Development.

RECOMMENDATION

- ✔ Consider the pursuit of a countywide goal of 108 additional interventions per year, on average, aimed at households with incomes less than \$50,000.



Households with
incomes less than
\$50,000





Establish goals to address housing needs, cont'd.

The countywide goal of 108 additional interventions per year will need to be translated into specific local goals in recognition of the vital role that local jurisdictions will play in meeting their own housing needs. While there are a number of ways to translate this goal, a “fair share” approach has the advantage of (1) distributing the goal in a manner that reflects existing housing and economic opportunities and (2) ensuring that affordable housing opportunities are available in all communities.

COUNTYWIDE GOAL

108 PER YEAR
interventions
(on average)

2,155 TOTAL
interventions
over 20 years

Under one version of a fair share approach to local allocation, the countywide annual goal and its cumulative result over 20 years would be distributed to the county’s sub-markets and local jurisdictions according to this table:

	Average number of interventions PER YEAR	TOTAL number of interventions over 20 years													
	16	309	Poughkeepsie City												
	5	105	Beacon												
	30	603	<table border="1"> <tr><td>Beekman</td><td>3</td><td>62</td></tr> <tr><td>Fishkill</td><td>9</td><td>171</td></tr> <tr><td>East Fishkill</td><td>8</td><td>168</td></tr> <tr><td>Wappinger</td><td>10</td><td>202</td></tr> </table>	Beekman	3	62	Fishkill	9	171	East Fishkill	8	168	Wappinger	10	202
Beekman	3	62													
Fishkill	9	171													
East Fishkill	8	168													
Wappinger	10	202													
	7	143	<table border="1"> <tr><td>Dover</td><td>3</td><td>62</td></tr> <tr><td>Pawling</td><td>3</td><td>55</td></tr> <tr><td>Union Vale</td><td>1</td><td>26</td></tr> </table>	Dover	3	62	Pawling	3	55	Union Vale	1	26			
Dover	3	62													
Pawling	3	55													
Union Vale	1	26													
	33	665	<table border="1"> <tr><td>Hyde Park</td><td>7</td><td>142</td></tr> <tr><td>La Grange</td><td>5</td><td>100</td></tr> <tr><td>Pleasant Valley</td><td>3</td><td>65</td></tr> <tr><td>Poughkeepsie Town</td><td>18</td><td>358</td></tr> </table>	Hyde Park	7	142	La Grange	5	100	Pleasant Valley	3	65	Poughkeepsie Town	18	358
Hyde Park	7	142													
La Grange	5	100													
Pleasant Valley	3	65													
Poughkeepsie Town	18	358													
	5	102	<table border="1"> <tr><td>Clinton</td><td>1</td><td>23</td></tr> <tr><td>Milan</td><td>1</td><td>17</td></tr> <tr><td>Stanford</td><td>1</td><td>25</td></tr> <tr><td>Washington</td><td>2</td><td>37</td></tr> </table>	Clinton	1	23	Milan	1	17	Stanford	1	25	Washington	2	37
Clinton	1	23													
Milan	1	17													
Stanford	1	25													
Washington	2	37													
	8	152	<table border="1"> <tr><td>Red Hook</td><td>4</td><td>80</td></tr> <tr><td>Rhinebeck</td><td>4</td><td>72</td></tr> </table>	Red Hook	4	80	Rhinebeck	4	72						
Red Hook	4	80													
Rhinebeck	4	72													
	4	76	<table border="1"> <tr><td>Amenia</td><td>2</td><td>31</td></tr> <tr><td>North East</td><td>1</td><td>25</td></tr> <tr><td>Pine Plains</td><td>1</td><td>20</td></tr> </table>	Amenia	2	31	North East	1	25	Pine Plains	1	20			
Amenia	2	31													
North East	1	25													
Pine Plains	1	20													
	108	2,155													

Sources and Notes: Distribution is based on each jurisdiction’s share of all county households (50% weight), its share of county households with incomes under \$50,000 (25% weight), and its share of all county jobs (25% weight); fractions have been rounded into whole numbers for simplicity of presentation, resulting in instances where the total over 20 years is slightly more or less than the average number of interventions per year multiplied by 20; the source for household data was ACS 5-Year Estimates for 2015-19 and the source for jobs data was the U.S. Census Longitudinal Employer-Household Dynamics Program.

RECOMMENDATION

 Consider the use of a “fair share” approach to translate countywide goals into tangible goals for each jurisdiction.

COUNTYWIDE GOAL

108
PER YEAR
interventions
(on average)



2,155
TOTAL
interventions
over 20 years



Notes:

The 20-year time-frame for ‘catching up’ should be considered flexible. If resources and changing conditions permit an acceleration of interventions, the annual goal for the county and each jurisdiction should be adjusted accordingly.

The annual and 20-year goals for individual jurisdictions provided here are meant to demonstrate distributions under one version of a “fair share” methodology. They do not take into account affordable housing units that are currently under construction or planned.



Develop and use a diverse toolkit

A wide range of policies, programs, and other tools may be useful to Dutchess County and local jurisdictions as they work together to achieve the goals recommended by this Housing Needs Assessment.

The following tools, in particular, could play a significant and constructive role:



Local Site Identification and Land Use Updates

The construction of new multi-family properties, including developments supported by the New York State Low-Income Housing Tax Credit Program, are likely to play a role in meeting some portion of countywide and local housing needs. Exactly where such development can take place is determined by local land use policies.

As local jurisdictions consider ways to meet their own goals, one useful approach is to identify sites or areas that would be suitable locations for multi-family developments—and to ensure that those locations are properly zoned for such development. Sites that may be most suitable include ones with access to household services, alternative forms of transportation, and other necessary infrastructure (especially water and sewer), as would sites that reflect Dutchess County’s “Centers and Greenspaces” approach to smart growth.

In addition to proper zoning and infrastructure, attention should be paid to other regulatory steps—such as environmental impact reviews—to facilitate development in a timely manner. The preparation of generic environmental impact statements (GEIS) for projects designed to meet county and local housing needs is one such step.

Beyond land use updates to accommodate multi-family structures, local jurisdictions should also consider the allowance of accessory dwelling units (ADUs) as-of-right with minimal supplementary regulations.



County Housing Trust Fund

To complement local efforts to identify sites and update land use regulations, Dutchess County could consider the establishment of a County Housing Trust Fund. Nationally, housing trusts have proven to be valuable sources of flexible funding to aid the implementation of a variety of affordable housing efforts.

Potential uses of trust fund resources include:

- Offset the costs of new or upgraded infrastructure, such as water and sewer, to ensure the viability of mixed-income housing developments;
- Support land acquisition in cases where site control is a critical issue;
- Serve as a flexible form of subsidy to new construction or rehabilitation projects that meet certain inclusionary conditions;
- Serve as a source of funding for affordable housing programs spearheaded by local jurisdictions or not-for-profit agencies.
- Support the preparation of generic environmental impact statements (GEIS) to facilitate timely development.

It is estimated that a Dutchess County Housing Trust Fund with at least \$2 million per year

to put towards a range of activities would be commensurate with the countywide goal for additive interventions.

Many different sources of revenue could be considered to capitalize a Dutchess County Housing Trust Fund. Contributions from the county general fund are the most basic approach. Others may include payments in-lieu from inclusionary housing policies adopted at the local level, revenues from county bonds, a real estate transfer tax that specifically funds housing initiatives, and grants from local foundations that may use their resources to leverage other public and private commitments.

Whatever the source, sustained and predictable support for a housing trust fund is the key to achieving its full impact. Another key is the development of clear and equitable fund allocation criteria to support transparent decision-making with trust fund dollars, to encourage efforts that best reflect county housing needs and planning priorities, and to ensure a fair distribution of resources across the county.



Develop and use a diverse toolkit, cont'd.



Rehabilitation program for existing rentals

Improving conditions and extending the life of existing rental units is a cost-effective way to improve housing quality and affordability at the same time.

A pool of resources could be used in partnership with owners of duplexes, triplexes and other small multi-family complexes to upgrade these critical sources of housing—with the use of funds conditioned on the quality of work performed and the maintenance of income restrictions over a specified period of time. The level of affordability would be tied to the overall public investment—with a larger public share of resources required to achieve affordability for the lowest incomes.

In cases where rehab and income restrictions make a unit newly affordable, they can be considered new interventions. In cases where currently affordable units are retained, they would be considered “preserved” units—not counting towards the catch up goal but reducing the need for further catch up.



Local inclusionary policies

Inclusionary policies—such as ‘inclusionary zones’ that require private development to reserve a share of new units as affordable—can play a role in meeting a small portion of local housing goals. Such policies, however, should reflect the strength of the local market and should not be considered in a one-size-fits all manner.

To avoid the risk of stalling new development and accruing no new units at all, inclusionary policies must always recognize that affordable units have to be paid for. Systems of zoning bonuses and conditioned subsidies can be used to ensure that development is feasible to the developer and achieves public goals.



Subsidy for inclusive units in new mixed-income developments

Whether they are tied to inclusionary zoning policies or not, subsidies for affordable units in mixed-income developments are another tool that can be used to achieve local housing goals. By offsetting the long-term cost of keeping a share of units at below-market rents, this form of subsidy can be used to realize mixed-income environments in areas that provide important economic opportunities or services for low-to-moderate income households.



Subordinate mortgages to support affordable homeownership

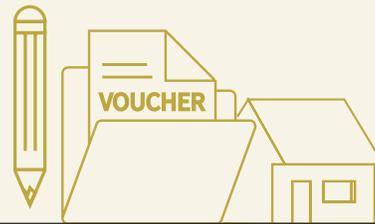
For communities that want affordable homeownership to be part of their toolkit, one powerful tool to consider is a locally-resourced program for subordinate or “soft second” mortgages, which finance down payments and closing costs for income-eligible buyers. This is especially useful for working-class households making close to \$50,000 that have sufficient income to pay a first mortgage but lack the savings for a down payment or closing costs.

Public resources for such a program can be matched with funding from banks and local philanthropies.



Tax exemption policies

Develop uniform tax exemption policies via industrial development agencies to support the development of workforce and affordable housing.



More housing vouchers

Roughly 2,500 federally-funded housing vouchers are currently in use in Dutchess County. They represent an important affordable housing resource. Most are portable Housing Choice Vouchers and some are project-based. Demand for these vouchers far outstrips supply and there are significant waiting list which are often closed. Traditionally, funding for additional vouchers has been limited but recent investments by the federal government seem to be increasing their availability. The County should make every effort to maximize these new resources.

The County may also want to consider a local program which would meet some of the unmet need and allow rules to be set locally.

RECOMMENDATION

- Consider a diverse toolkit, supported by flexible local resources, that can be customized to help realize countywide and localized housing goals.

Appendix

Supplemental Tables for Part 1

2019

Town/City	Median Renter Income	Median Gross Rent	Median Affordable Gross Rent	Difference	Median Owner Income	Median Owner-Occupied Value	Median Affordable Owner-Occupied Value	Difference
Amenia	\$33,071	\$971	\$827	-\$144	\$79,306	\$215,200	\$237,918	\$22,718
Beacon city	\$43,159	\$1,323	\$1,079	-\$244	\$104,152	\$278,700	\$312,456	\$33,756
Beekman	\$70,278	\$1,299	\$1,757	\$458	\$104,365	\$299,400	\$313,095	\$13,695
Clinton	\$47,993	\$1,207	\$1,200	-\$7	\$122,107	\$352,600	\$366,321	\$13,721
Dover	\$33,364	\$914	\$834	-\$80	\$78,070	\$253,200	\$234,210	-\$18,990
East Fishkill	\$39,491	\$1,168	\$987	-\$181	\$122,419	\$358,700	\$367,257	\$8,557
Fishkill	\$60,331	\$1,540	\$1,508	-\$32	\$99,845	\$296,100	\$299,535	\$3,435
Hyde Park	\$41,667	\$1,107	\$1,042	-\$65	\$88,848	\$220,600	\$266,544	\$45,944
La Grange	\$63,735	\$1,627	\$1,593	-\$34	\$122,887	\$302,700	\$368,661	\$65,961
Milan	\$48,000	\$1,143	\$1,200	\$57	\$93,690	\$331,100	\$281,070	-\$50,030
North East	\$45,300	\$1,131	\$1,133	\$2	\$88,819	\$265,600	\$266,457	\$857
Pawling	\$41,394	\$1,151	\$1,035	-\$116	\$116,250	\$301,400	\$348,750	\$47,350
Pine Plains	Data Not Available	\$1,140	N/A	N/A	\$74,946	\$229,900	\$224,838	-\$5,062
Pleasant Valley	\$56,684	\$1,333	\$1,417	\$84	\$94,250	\$266,300	\$282,750	\$16,450
Poughkeepsie city	\$31,977	\$1,113	\$799	-\$314	\$73,603	\$196,800	\$220,809	\$24,009
Poughkeepsie town	\$43,419	\$1,229	\$1,085	-\$144	\$109,137	\$248,200	\$327,411	\$79,211
Red Hook	\$49,871	\$1,276	\$1,247	-\$29	\$97,453	\$292,100	\$292,359	\$259
Rhinebeck	\$47,946	\$1,305	\$1,199	-\$106	\$103,448	\$390,700	\$310,344	-\$80,356
Stanford	\$60,116	\$1,021	\$1,503	\$482	\$112,525	\$308,000	\$337,575	\$29,575
Union Vale	\$38,850	\$1,231	\$971	-\$260	\$120,893	\$353,400	\$362,679	\$9,279
Wappinger	\$49,175	\$1,346	\$1,229	-\$117	\$100,137	\$285,500	\$300,411	\$14,911
Washington	\$49,671	\$1,175	\$1,242	\$67	\$110,380	\$371,800	\$331,140	-\$40,660

2010

Town/City	Median Renter Income	Median Gross Rent	Median Affordable Gross Rent	Difference	Median Owner Income	Median Owner-Occupied Value	Median Affordable Owner-Occupied Value	Difference
Amenia	\$37,222	\$895	\$931	\$36	\$60,000	\$199,300	\$180,000	-\$19,300
Beacon city	\$28,539	\$881	\$713	-\$168	\$77,404	\$294,600	\$232,212	-\$62,388
Beekman	\$39,643	\$941	\$991	\$50	\$93,102	\$361,700	\$279,306	-\$82,394
Clinton	\$51,250	\$1,339	\$1,281	-\$58	\$92,036	\$381,500	\$276,108	-\$105,392
Dover	\$41,595	\$779	\$1,040	\$261	\$71,490	\$273,400	\$214,470	-\$58,930
East Fishkill	\$44,519	\$1,058	\$1,113	\$55	\$101,525	\$391,200	\$304,575	-\$86,625
Fishkill	\$65,334	\$1,282	\$1,633	\$351	\$78,967	\$306,200	\$236,901	-\$69,299
Hyde Park	\$34,503	\$980	\$863	-\$117	\$81,723	\$262,400	\$245,169	-\$17,231
La Grange	\$43,616	\$980	\$1,090	\$110	\$101,697	\$361,400	\$305,091	-\$56,309
Milan	\$41,071	\$901	\$1,027	\$126	\$75,884	\$348,900	\$227,652	-\$121,248
North East	\$38,438	\$1,070	\$961	-\$109	\$59,718	\$262,000	\$179,154	-\$82,846
Pawling	\$51,098	\$1,068	\$1,277	\$209	\$95,863	\$385,300	\$287,589	-\$97,711
Pine Plains	\$39,500	\$994	\$988	-\$7	\$62,391	\$273,400	\$187,173	-\$86,227
Pleasant Valley	\$45,769	\$1,201	\$1,144	-\$57	\$91,555	\$332,100	\$274,665	-\$57,435
Poughkeepsie city	\$24,518	\$940	\$613	-\$327	\$73,941	\$263,100	\$221,823	-\$41,277
Poughkeepsie town	\$41,561	\$1,096	\$1,039	-\$57	\$83,013	\$285,400	\$249,039	-\$36,361
Red Hook	\$38,021	\$856	\$951	\$95	\$83,375	\$316,000	\$250,125	-\$65,875
Rhinebeck	\$39,844	\$1,055	\$996	-\$59	\$74,519	\$390,500	\$223,557	-\$166,943
Stanford	\$57,143	\$1,149	\$1,429	\$280	\$75,977	\$315,900	\$227,931	-\$87,969
Union Vale	\$62,750	\$1,292	\$1,569	\$277	\$90,071	\$397,600	\$270,213	-\$127,387
Wappinger	\$49,257	\$1,105	\$1,231	\$126	\$86,620	\$330,800	\$259,860	-\$70,940
Washington	\$40,760	\$1,055	\$1,019	-\$36	\$71,690	\$378,000	\$215,070	-\$162,930

Appendix

2000

Town/City	Median Renter Income	Median Gross Rent	Median Affordable Gross Rent	Difference	Median Owner Income	Median Owner-Occupied Value	Median Affordable Owner-Occupied Value	Difference
Amenia	\$28,385	\$607	\$710	\$103	\$45,625	\$127,700	\$136,875	\$9,175
Beacon city	\$28,542	\$658	\$714	\$56	\$58,849	\$120,800	\$176,547	\$55,747
Beekman	\$38,125	\$859	\$953	\$94	\$71,278	\$183,700	\$213,834	\$30,134
Clinton	\$42,250	\$748	\$1,056	\$308	\$72,434	\$162,200	\$217,302	\$55,102
Dover	\$32,802	\$649	\$820	\$171	\$56,231	\$144,900	\$168,693	\$23,793
East Fishkill	\$37,850	\$690	\$946	\$256	\$81,477	\$198,000	\$244,431	\$46,431
Fishkill	\$38,843	\$813	\$971	\$158	\$60,522	\$149,800	\$181,566	\$31,766
Hyde Park	\$31,486	\$690	\$787	\$97	\$58,453	\$130,400	\$175,359	\$44,959
La Grange	\$39,946	\$869	\$999	\$130	\$79,197	\$176,800	\$237,591	\$60,791
Milan	\$31,917	\$675	\$798	\$123	\$61,157	\$138,000	\$183,471	\$45,471
North East	\$29,500	\$677	\$738	\$61	\$48,068	\$127,900	\$144,204	\$16,304
Pawling	\$40,625	\$713	\$1,016	\$303	\$68,676	\$173,200	\$206,028	\$32,828
Pine Plains	\$31,417	\$635	\$785	\$150	\$46,477	\$116,000	\$139,431	\$23,431
Pleasant Valley	\$37,008	\$747	\$925	\$178	\$63,702	\$162,900	\$191,106	\$28,206
Poughkeepsie city	\$20,623	\$608	\$516	-\$92	\$52,016	\$115,500	\$156,048	\$40,548
Poughkeepsie town	\$34,760	\$745	\$869	\$124	\$66,039	\$142,000	\$198,117	\$56,117
Red Hook	\$25,378	\$622	\$634	\$12	\$55,781	\$144,600	\$167,343	\$22,743
Rhinebeck	\$31,453	\$714	\$786	\$72	\$59,726	\$168,300	\$179,178	\$10,878
Stanford	\$36,023	\$691	\$901	\$210	\$63,068	\$164,900	\$189,204	\$24,304
Union Vale	\$46,313	\$851	\$1,158	\$307	\$72,917	\$188,700	\$218,751	\$30,051
Wappinger	\$41,135	\$798	\$1,028	\$230	\$67,708	\$160,500	\$203,124	\$42,624
Washington	\$32,847	\$702	\$821	\$119	\$73,542	\$175,800	\$220,626	\$44,826

Part 2 – Detailed Scenario Assumptions

A. Distinguishing Assumptions

Scenario #1

- Used Cornell University Center for Applied Demographic’s projection for total population in 2030 and 2040; 2010 and 2019 populations are based on 5-Year ACS estimates for compatibility with other 2010 and 2019 ACS data used across Part 2.
- Used straight line trajectory from 2010-2019 to estimate change in average household size going forward.
- Used estimated household size to derive estimated number of total households for 2030 and 2040.
- Assumed that the six household types will remain a static 91% of all households (fixed to 2019).
- Assumed that the size of age 65+ household types will remain static at an estimated 1.52 (derived from assumption that all married households are 2.0 and all singles are 1.0).
- Assumed that the “other” households (those not among the six household types) are distributed age-wise in a manner that reflects distribution of the six household types (with 24% having an age 65+ householder); assumed that that distribution remains static going forward.
- Assumed that the 2019 ratio between the two 65+ household types (married and single) remains static going forward; distributed for 2030 and 2040 accordingly.
- Assumed that the 2019 distribution/allocation of the four under 65 household types remains static going forward.

Scenario #2

- Same assumptions as Scenario #1 with the following exception:
 - o Cornell’s population projections for 2030 and 2040 were amended to assume that Dutchess County will experience a similar annual growth rate between 2020 and 2040 as Westchester County experienced between 2000 and 2020 (0.439% per year). That growth rate is applied on top of Cornell’s projections for each age grouping.

Scenario #3

- Same assumptions as Scenario #1 with the following exceptions:
 - o Average household size was raised in steps -- from 2.74 in 2019 to 2.80 in 2030 and 2.85 in 2040 to assume a trend towards more intergenerational households and nonfamily households with multiple persons; these estimated household sizes were then used to derive the number of total households in 2030 and 2040.
 - o The six household types were lowered from 91% of all households in 2019 to 90% in 2030 and 88% in 2040 to reflect the assumption that multi-generational households will become more common and that “other” households will become more numerous.
 - o Average size of 65+ household types was raised in small steps to 2030 and 2040 to further reflect the assumption that intergenerational or extended family household may become more numerous, and that some of those households may be counted as traditional senior households.

B. Common Assumptions

Assumptions for Average Household Income

- o Used 2019\$ throughout for comparability, making adjustments with the Bureau of Labor Statistics’ CPI Calculator.
- o Used annualized change in inflation-adjusted average income between 2010 and 2019 as the basis for 2030 and 2040 average incomes, but conservatively assumed that annual growth rates will be 50% of the 2010-2019 trajectory to account, in part, for Great Recession impacts on 2010 data.

Assumptions and Adjustments for Own/Rent Distribution

- o Used the change in owning and renting for each household type over the period 2010-2019 as the basis for 2030 and 2040; recent trajectory is assumed to continue.
- o The continued stagnation of incomes for single parents, alongside growth in incomes for other household types, makes it unlikely that the single parent group will maintain a roughly 50% homeownership rate going forward, especially for single parents who emerge after 2020. A steep downward adjustment was been made to 2030 and 2040 homeownership for this group to reflect this condition.

Appendix

Stakeholder Interviews

Special thanks to the following individuals who participated in one-on-one interviews with czb to supplement the project's quantitative analysis:

Terry Ariano, *Pawling Resource Center*

Tara Barnhart, *Pathstone*

Eli Berkowitz, *Community Voices Heard*

Jonathan Bix, *For the Many*

John Clarke, *Planner, City of Beacon*

Mark Doyle, *Fishkill Farms*

Justin Haines, *Legal Services of the Hudson Valley*

Joe Kirchhoff, *Kirchhoff Companies*

Maureen Lashlee, *Habitat for Humanity of Dutchess County*

Brian Mossey, *Berkshire Hathaway*

Margaret Palumbo, *City of Poughkeepsie Section 8 Housing Administrator*

Christine Sergeant, *North East Community Center*

Elizabeth Spira, *Dutchess County Community Action Partnership*

The following are themes and observations gathered during stakeholder interviews:

Rental Housing Challenges and Needs

- A common challenge for renters in Dutchess County is that many start with a one-year lease and then go month-to-month. This has become a problem with the instability of the rental market over the past few years. Long-time renters are exposed to unpredictable changes in rent or eviction and replacement with a higher paying tenant.
- There is widespread anecdotal evidence of an influx of New York City residents since the beginning of the pandemic who are willing and able to pay more in rent than the Dutchess market is used to. There are reports that this influx has prompted many landlords to give existing rents 90-days' notice to leave so that they can be replaced by a higher paying tenant without making major upgrades to the unit.
- Most evictions are heard in city, town, and village courts by lay judges with no legal background and a superficial understanding of landlord/tenant issues. There is often an anti-tenant bias to contend with.
- One centralized housing court for Dutchess County may be a solution to the inefficiencies and inconsistencies of the current decentralized system.
- There is insufficient capacity to assist more than a fraction of the tenants who face evictions every year.
- There are concerns about active discrimination by landlords towards Section 8 tenants, especially with the influx of higher paying tenants from New York City leading many to raise rents above Section 8 payment standards.
- The end of the COVID eviction moratorium has many renters and service providers concerned about fallout. Implementation of "Good Cause" eviction policies is viewed as one way of leveling the playing field for tenants.
- There's not enough housing affordable to low-to-moderate income renters, and this shortage has felt especially acute over the past three years.
- There are too many luxury developments—there need to be more mixed-income developments to deconcentrate poverty and supplement the affordable housing supply.
- There was a reduction in housing vouchers after the Great Recession, and it took a long time to bounce back from that.
- Many voucher holders lose out on housing opportunities because they lack a security deposit.
- Pathstone has 3,000 people on its voucher waiting list. The last time it was opened was 2018.
- Small area fair market rents have been approved to allow use of fair market rent applicable to specific ZIP codes. It is hoped that this will make vouchers less susceptible to rent increases that are not a true reflection of some local markets.
- There is frustration that affordable housing is not a priority to the county or local governments. Few if any local resources are devoted to the issue.
- It has been observed that privately-owned affordable housing complexes feel less and less like communities anymore. Property owners used to invest in common areas and activities but rarely do anymore. This makes the properties feel less communal and less safe.
- There is a lack of rental opportunities in the rural parts of the county. This is a challenge for a variety of business enterprises, from agriculture to restaurants. Rural communities cannot grow and develop their economies without rental housing.
- Mass and scale of rental housing in village settings, and even in Beacon, have created concern and led to opposition.

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- In Beacon, moderation of height and density, along with improved architecture, have somewhat decreased opposition.
 - Many NIMBYs are recent arrivals to the community.

Homeownership Challenges and Needs

- A homeowner in Dutchess County has to make at least \$35,000 a year to be able to afford local property taxes.
- A land trust for Dutchess County—similar to the model established in Tompkins County—is an idea worth exploring to limit the impact of escalating land prices.
- Habitat is hoping to be on a pace of delivering ten houses (new build or gut rehabs) per year by 2026. The biggest limiting factor to their work is acquisition costs—buildable lots are expensive.
- Alternative forms of housing need to be explored to meet future housing needs—move away from the fixation on single-family homes.
- Environmental impact reviews are among the most unpredictable and time-consuming factors that delay or stop new housing developments—for new subdivisions or multi-family complexes.
- “I can afford a \$320,000 mortgage and there is nothing available in that range that isn’t falling down.”
- Some aging owners are stuck. They cannot maintain their homes, but neither is there anywhere else to go.

**DUTCHESS
COUNTY**

**Housing
Needs
Assessment**



March 2022



Prepared by czbLLC

**Think Dutchess
Business Development Program
2022 Outcomes Report**

Activity: Business Attraction

Goal	Action	Targets	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD	% of Total	Notes
Develop foster and implement an environment that further develops attraction and investment in the County	Number of requests for information (RFI)	55	13	6			19	35%	
	Number of new businesses attracted	3	0	0			0	0%	
	<i>(Number of new businesses in priority sector)</i>	<i>1</i>	<i>0</i>	<i>0</i>			<i>0</i>	<i>0%</i>	
	Additional capital attracted	\$3,000,000	\$0	\$0			\$0	0%	
	Number of jobs created	100	0	0			0	0%	
	<i>(Number of jobs in priority sector)</i>	<i>25</i>	<i>0</i>	<i>0</i>			<i>0</i>	<i>0%</i>	
	Number of Trade Shows attended	5	0	0			0	0%	

**Think Dutchess Alliance for Business
Business Development Program
2022 Outcomes Report**

Activity: Business Retention & Expansion

Goal	Action	Targets	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD	% Completed	Notes
Foster relationships with existing businesses to get insight on business and economic issues as well as connect businesses to resources	Site visits	65	13	21	0	0	34	52%	
Provide Technical Advice to support retention and expansion	Provide General Business Counseling to businesses	75	53	48	0	0	101	202%	
Connect businesses to programs to support retention and growth efforts	Refer businesses to community partners	75	78	74	0	0	152	304%	
	Assist Business to submit for MWBE Designation	3	1	0	0	0	1	33%	
Identify, promote local leadership and contributions of business executives and entrepreneurs in Dutchess County	Produce Business Excellence Awards	1	0	0	0	0	0	0%	

Think Dutchess Alliance for Business
 Business Development Program
 2022 Outcomes Report

Activity: Entrepreneurship

Goal	Action	Targets	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD	% Completed	Notes
Foster an environment that supports innovation, entrepreneurial thinking and entrepreneurial businesses	Host 60-Hour Entrepreneurial Training Program	1	1	0	0	0	1	100%	
	Host workshops and events to support entrepreneurs	9	11	8	0	0	19	211%	
Promote local entrepreneurs in Dutchess County	Produce Innovation Showcase	1	0	0	0	0	0	0%	

**Think Dutchess Alliance for Business
Dutchess County Industrial Development Agency
2022 Outcomes Report**

Agency: Industrial Development Agency

Activity: **Projects**

Outcome Statement List benefits to be achieved by participants during & after the program.	Projected Target # for 2022 The projected achieved outcome during the program year.	Actual Outcomes*				Total to Date	
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	#	% of Target
Close projects	3	0	2			2	67%
Increase new jobs through IDA projects	50	0	16			16	32%
Retain jobs through IDA projects (FTEs)	150	0	0			0	0%
Increase capital investment in County	\$25,000,000	\$0	\$99,441,536			\$99,441,536	398%
Create construction jobs	125	0	170			170	136%

Notes:

Projects Closed: Arthur May Redevelopment, One Dutchess Phase 3

Projects Pending: Built Parcel 3

*Actual Outcomes will be verified by the Agency's annual employment report.

**Think Dutchess Alliance for Business
Local Development Corporation
2022 Outcomes Report**

Agency: Local Development Corporation

Activity: **Projects**

Outcome Statement List benefits to be achieved by participants during & after the program.	Projected Target # for 2022 The projected achieved outcome during the program year.	Actual Outcomes*				Total to Date	
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	#	% of Target
Close projects	3	0	2			2	67%
Increase new jobs through LDC projects	15	0	0			0	0%
Retain jobs through LDC projects (FTEs)	500	0	1420			1420	284%
Increase capital investment in County	\$75,000,000	\$0	\$68,820,000			\$ 68,820,000	92%
Create construction jobs	100	0	0			0	0%

Notes:

Projects Closed: Marist, CIA 2022

Projects Pending:



Memorandum

TO: Chairman and Members
Dutchess County Industrial Development Agency
Governance Committee Members

FROM: Sarah Lee
Executive Director

DATE: July 1, 2022

RE: Open Meetings Law

The current declaration of emergency which allows the remote attendance of board members is set to expire on July 14, 2022 however, when Governor Hochul signed Chapter 56 of the Laws of 2022 related to the 2022-2023 New York State budget it included an amendment to the Open meeting law to expand the use of videoconferencing by public bodies to conduct open meetings, *under extraordinary circumstances*, regardless of a declaration of emergency.

I recommend the DCIDA Board amend its current Open Meetings policy to be consistent with the expanded use of videoconferencing however, in order to enable the Agency to use the expanded use of videoconferencing the Agency must hold a public hearing and then pass a resolution to adopt the expanded use of videoconferencing and develop written procedures consistent with the Amendment.

In order to start a discussion at the next board meeting please find attached a summary memo and sample documents prepared by Nixon Peabody.



MEMORANDUM

TO: Industrial Development Agencies,
Local Development Corporations, and
Public Authorities

FROM: Nixon Peabody LLP

RE: NYS Open Meetings Law

DATE: June 15, 2022

Introduction

As part of New York State's (the "State") fiscal year 2022/2023 budget, the New York State Legislature (the "Legislature") has passed, and the Governor has signed into law, an amendment to Section 103 of the Public Officers Law (the "Open Meetings Law"), effective June 8, 2022 (the "Amendment") to allow "public bodies", including industrial development agencies, local development corporations, other public benefit corporations, and municipal corporations to allow certain limited "extraordinary circumstances" when board members of a public body may participate in public meetings via remote videoconferencing. The Amendment allows public bodies to use videoconferencing, in each public body's discretion, through June 30, 2024 provided (i) the public body conducts a public hearing, and subsequently adopts a resolution and written procedures defining "extraordinary circumstances" under which a member of a public body may participate in meetings remotely, (ii) a physical meeting location or locations exist that permit barrier-free physical access to the physically handicapped, where the public body's quorum requirement is satisfied, (iii) the public has the option to be physically present at a meeting location required by clause (ii), and (iv) certain other criteria is met regarding the videoconferencing and accessibility thereof, as discussed below.

The Amendment also provides that while a State or local emergency declaration remains in effect, public bodies may meet completely remotely. The current State COVID-19 emergency declaration was extended through July 14, 2022 by executive order of the Governor dated June 14, 2022.

Discussion

Background

Historically, the Open Meetings Law has made virtual or remote meetings of public bodies impractical. A "meeting" as defined by the Open Meetings Law is a gathering of a quorum of board members of a public body to conduct official business. Prior to the COVID-19 pandemic, the Open Meetings Law required that "a public body that uses videoconferencing to conduct its

meetings shall provide an opportunity for the public to attend, listen and observe at any site at which a member participates.” Therefore, in order to comply with the Open Meetings Law, a board member participating in a meeting remotely from her own house would have to allow members of the public to actually enter her house during the meeting.

During the COVID-19 pandemic, this “on-site” requirement of the Open Meetings Law has been suspended on a temporary emergency basis, and public bodies have allowed to conduct meetings remotely using telephone or video conferencing. Whenever the State’s emergency suspension of the Open Meetings Law expires, the Amendment provides an avenue, under certain limited circumstances, for public bodies to conduct hybrid in-person and remote meetings where physical public access would only be required to at the “in-person” component of the meeting.

Requirements to Enable Videoconferencing:

Absent an emergency declaration by the State or a local government where a public body conducts business, the general rule for compliance with the Open Meetings Law remains that public bodies can only meet and take official action in person at a physical location where the public can attend. The Amendment provides procedures for creating exemptions to this rule, to allow members of a public body to participate in meetings remotely by video conference only under “extraordinary circumstances”.

Prior to utilizing the videoconferencing option laid out in the Amendment, a public body must (a) adopt a resolution (the “Resolution”), following a public hearing, to authorize its use of videoconferencing and (b) establish and conspicuously post to its public website written procedures (the “Written Procedures”) consistent with the Amendment governing member and public attendance. The Resolution and the Written Procedures shall define “extraordinary circumstances” under which a board member may participate in a meeting remotely. Examples of “extraordinary circumstances” given in the Amendment include “disability, illness, caregiving responsibilities, or any other significant or unexpected factor or event which precludes a member’s physical attendance at such meeting.” Members of the public body must be physically present at any meeting, unless such member is absent due to “extraordinary circumstances.”

The public notice of any meeting to be conducted with videoconferencing must inform the public that videoconferencing will be used. The notice must also provide where the public may view and/or participate in the meeting (providing both in-person and by videoconference options) and where documents and records for the meeting will be available and posted.

Examples of a notice of public hearing, a resolution, and written procedures for holding meetings via videoconference are attached hereto as Exhibits A, B, and C, respectively.

Requirements During Meetings Utilizing Videoconferencing:

When a public body conducts a hybrid in-person and remote meeting, at least a quorum of the public body must be physically present at the in-person meeting location. In other words, any member of a public body participating in a meeting remotely does not count towards the quorum requirement needed to conduct official business of a public body.

During a hybrid meeting, the public body must provide the opportunity for members of the public to view such meeting via video, and to participate in proceedings via videoconference in real time. The public body must ensure the videoconferencing authorizes the same public participation or testimony as in person participation or testimony. Except in the case of executive sessions, the public body must ensure members of the public can be heard, seen, and identified, while the meeting is being conducted, including but not limited to any motions, proposals, resolutions, and any other matter formerly discussed or voted upon.

Any meeting using videoconferencing must be recorded and such recordings must be posted or linked on the public website of the public body within five business days following the meeting; such recording must remain available for five years and must be transcribed upon request. Any open meeting broadcast or using videoconferencing must utilize technology to permit access by members of the public with disabilities consistent with the 1990 Americans with Disabilities Act, as amended. The minutes of the meeting shall include which members participated virtually, if any, and must be available to public.

Other Amendment Impacts:

For so long as any emergency declaration is in effect for the whole State or a local government where a public body is located, public bodies may meet on a completely remote basis if the public body determines that the circumstances necessitating the emergency declaration would affect or impair the ability of the public body to hold an in-person meeting.

No later than January 1, 2024, the committee on open government will issue a report concerning the application and implementation of the Amendment and any further recommendations governing the use of videoconferencing by public bodies.

Conclusions

The implications of the Amendment are as follows:

- While the State's COVID-19 emergency declaration remains in effect, public bodies may continue to meet on a completely remote basis;
- Upon expiration of the State's COVID-19 emergency declaration, public bodies will have to conduct business with a quorum present in a physical location the public can attend, but the Amendment creates a path for public bodies to allow a limited number of members to participate

in meetings remotely via video conference under “extraordinary circumstances”. While remote members can participate and vote on matters, they will not count towards a quorum.

- In order to allow such remote participation, each public body must hold a public hearing and subsequently adopt a resolution and written procedures defining “extraordinary circumstances” for which a member may participate in meetings remotely. Please see the attached exhibits for examples of such notice of public hearing, resolution, and written procedures.
- Upon any future statewide emergency declaration, or an emergency declaration in the locality where the public body conducts business, which impairs the public body’s ability to meet in person, the public body may meet in a fully remote setting without further authorization.
- The Amendment shall be in effect until January 1, 2024, at which point the committee on open government will issue a report on the application and implementation of the Amendment.

Exhibit A

Form Notice of Public Hearing

NOTICE IS HEREBY GIVEN that a public hearing will be held by the [_____] (the “Agency”) on [_____] at [____] [a/p].m., local time, at [_____], in connection with the following matters:

As part of the 2022 State Budget, the New York Legislature amended the Section 103 of the Public Officers Law (the “Open Meetings Law”) to provide when and how public bodies may conduct meetings via videoconference technology. The amended Open Meetings Law allows the Agency to adopt a resolution authorizing it to conduct meetings using videoconference technology so long as a quorum of the board of directors is physically present at one or more locations where the public can also attend in person and certain procedural requirements are met. The Agency will establish written procedures that will govern the use of videoconference technology used to conduct public meetings.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to the use of videoconference technology to conduct meetings of the board of directors which are open to the public. At the hearing, all persons will have the opportunity to review the proposed written procedures that will govern the use of videoconference technology used to conduct public meetings.

Dated: [_____]

[_____]

By:

Title:

Exhibit B

Form Resolution

RESOLUTION TO AUTHORIZE THE USE OF
VIDEOCONFERENCING FOR PUBLIC MEETINGS

[DATE]

WHEREAS, the Dutchess County Industrial Development Agency (the “Agency”) is a public body which falls within the scope of the Open Meetings Law; and

WHEREAS, Section 103 of the Public Officers Law has been revised to allow a public body to, in its discretion, conduct its meetings via videoconferencing provided that certain requirements found in the statute are satisfied;

WHEREAS, Section 103 of the Public Officers Law requires that the Agency pass a resolution, following a public hearing, authorizing the use of videoconferencing to conduct its meetings; now therefore be it

RESOLVED, that the members of the Agency find it in the best interest of the Agency and the public to use videoconferencing to conduct its meetings under certain “extraordinary circumstances”, as outlined under the written procedures; and further

RESOLVED, that “extraordinary circumstances”, as defined in the written procedures, include [disability, illness, caregiving responsibilities, or any other significant or unexpected factor or event approved by the board chair which precludes a member’s physical attendance at any meeting].

RESOLVED, that Agency hereby authorizes, for itself and any committees and subcommittees, the use of videoconferencing, in the discretion of the Agency, to conduct its meetings; and further

RESOLVED, that the Agency shall establish written procedures governing member and public attendance consistent with the requirements of the Open Meetings Law and post such written procedures on the Agency’s official website; and further

RESOLVED, that this Resolution shall take effect immediately.

CERTIFICATION

STATE OF NEW YORK)
) ss.:
COUNTY OF [_____])

I, the undersigned [_____] of the [_____], certifies under penalty of perjury as follows:

1. I have compared the foregoing copy of the Resolution of the [_____] (the "Agency") with the original thereof on file in the office of the Agency.

2. The aforesaid copy is a true and correct copy of such Resolution and of the proceedings of the Agency in connection with such matter.

3. Such Resolution was adopted at a regularly scheduled public meeting of the Corporation occurring on [_____] at [_____] [a/p].m. at the [_____], at which the following members were:

Present:

Absent:

Also Present:

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

<u>YEA</u>	<u>NEA</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]

The Resolution was thereupon duly adopted.

4. That the Agency Documents, to which the Agency is a party contained in this transcript of proceedings, are each in substantially the form presented to the Agency and/or approved by said meeting.

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 132 of the Laws of 1973 of the State of New York, that all members of said Corporation had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of _____, 2022.

Name:
Title:

Exhibit C

Form Written Procedures

Written Procedures for Meetings Held Via Videoconferencing

The following procedures shall govern any public meetings of the [_____] (the “Agency”), including all committee meetings, held via videoconferencing:

- A. In the case of a state disaster emergency declared by the State or a local state of emergency proclaimed by Dutchess County, which impairs the ability of the Agency to hold an in-person meeting, a meeting of the Board of Directors of the Agency (the “Board”) may be held solely via videoconferencing.
- B. In all other cases, at the discretion of the Chair of the Board, individual Board members may attend a meeting via videoconferencing due to “extraordinary circumstances” (as defined herein) provided, however, that such Board member’s remote attendance shall comply with all relevant laws related to remote attendance and that all meetings shall have the minimum number of Board members physically present at a location where the public can attend in order to fulfil the Board’s quorum requirement.
- C. “Extraordinary circumstances” include [disability, illness, caregiving responsibilities, or any other significant or unexpected factor or event approved by the board chair which precludes a member’s physical attendance at any meeting].
- D. Notice for any meeting that will be held via videoconference, other than for State or local emergency, shall inform the public (1) that videoconferencing will be used; (2) how to access and/or participate in the meeting; (3) where required documents and records will be posted or otherwise available; and (4) of the physical location of the meeting is to be held. The notice shall be posted on the Agency’s official website.
- E. All members shall be seen and heard while the meeting is being conducted.
- F. In all instances where public comment or participation is permitted and/or required, members of the public shall be able to view and participate in the meeting via videoconferencing in real time. There shall be no difference in the level of participation for members of the public who chose to attend via videoconference as for members of the public who chose to attend the meeting in person.
- G. The minutes of any meetings held via videoconferencing shall include which Board members, if any, participated remotely and shall be available to the public.
- H. All meetings held via videoconferencing shall be recoded and the recordings shall be posted on the Agency’s official website within five business days following the meeting. The recordings shall remain available on the Agency’s official website for five years following the meeting and shall be transcribed upon request.