Dutchess County DC ida 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, August 26, 2026
8:00 AM

DATE: August 21, 2026

TO: Ronald J. Piccone II, *Vice Chairman/Treasurer*
Thomas J. LeCount, *Secretary*
Amy Bombardieri
Brian Berryann
Kristofer Munn

FROM: Mark Doyle, *Chairman*

A regular meeting of the Dutchess County Industrial Development Agency [DCIDA] has been scheduled for **Wednesday, August 26, 2026 at 8:00 AM** 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 August 26, 2026 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/89123161355 or calling 1-929-436-2866 Meeting ID: 891 2316 1355. The meeting will be recorded and will be posted on 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
   July 8, 2026
   August 12, 2026
5. Report from Treasurer
   A. Financial Report
6. Reports from Committees
7. Unfinished Business
   A. For Consideration and Approval of a Preliminary Resolution for SH Grasmere Acquisition, LLC (Town of Rhinebeck) to induce a Project providing for Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately $199,720,693 Project for the renovation of existing buildings and construction of new buildings for a hospitality and resort facility at 25-29 Mill Road in the Town of Rhinebeck.
   B. For Consideration and Approval of a Preliminary Resolution for Elbow Creek LLC (Town of Hyde Park) to induce a Project providing for Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately $82,299,954 Project for the construction and development of a 249-unit multifamily residential community at 1269 Route 9G, Hyde Park.
8. New Business
   A. For Consideration and Approval of an Authorizing Resolution for Mid-Hudson Development Corp. (Town of Poughkeepsie) to approve a Project providing for Sales Tax Exemption and Mortgage Recording Tax Exemption for an approximately $11,421,510 Project for the construction and development of a 32-unit multifamily residential apartment community at 2736-2738 South Road in the Town of Poughkeepsie.
   B. For Consideration and Approval of a Supplemental Authorizing Resolution for Rolling Frito-Lay Sales, LP (Town of East Fishkill) authorizing (i) an extension of the Project's Completion Date to December 31, 2026, and (ii) an amendment to the Lease Agreement to reduce the number of full-time equivalent employees (FTEs) previously required thereunder.
   C. For Discussion – Request by POU Development LLC (Sky Harbour) for a partial waiver of the Agency's Local Workforce Utilization Policy for certain trade contracts, based on a national purchase agreement, specialized construction needs, lack of qualified/available local workforce, and significant cost differentials.
   D. For Discussion - Update regarding Project for Fifth Generation Partners LLC and The Hudson Company (Town of Pine Plains) approved on July 8, 2026, pending letters of support from Town of Pine Plains and Pine Plains Central School District.
9. Adjournment

Information Copy		
Sue Serino, DC Executive Eoin Wrafter	Robin Mack, Executive Director Jane Denbaum, CFO Donald Cappillino, Counsel Elizabeth Cappillino, Counsel	H. Gross, Mid-Hudson News

Dutchess County DCida Industrial Development Agency

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

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, August 26, 2026
8:00 AM

AGENDA

1. Roll Call
2. Conflict of Interest Disclosures
3. Proof of Meeting Notice
4. Bills and Communications
5. Approval of Minutes
   July 8, 2026
   August 12, 2026
6. Report from Treasurer
   A. Financial Report
7. Reports from Committees
8. Unfinished Business
   A. For Consideration and Approval of a Preliminary Resolution for SH Grasmere Acquisition, LLC (Town of Rhinebeck) to induce a Project providing for Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately $199,720,693 Project for the renovation of existing buildings and construction of new buildings for a hospitality and resort facility at 25-29 Mill Road in the Town of Rhinebeck.
   B. For Consideration and Approval of a Preliminary Resolution for Elbow Creek LLC (Town of Hyde Park) to induce a Project providing for Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately $82,299,954 Project for the construction and development of a 249-unit multifamily residential community at 1269 Route 9G, Hyde Park.
9. New Business
   A. For Consideration and Approval of an Authorizing Resolution for Mid Hudson Development Corp. (Town of Poughkeepsie) to approve a Project providing for Sales Tax Exemption and Mortgage Recording Tax Exemption for an approximately $11,421,510 Project for the construction and development of a 32-unit multifamily residential apartment community at 2736-2738 South Road in the Town of Poughkeepsie.
   B. For Consideration and Approval of a Supplemental Authorizing Resolution for Rolling Frito-Lay Sales, LP (Town of East Fishkill) authorizing (i) an extension of the Project's Completion Date to December 31, 2026, and (ii) an amendment to the Lease Agreement to reduce the number of full-time equivalent employees (FTEs) previously required thereunder.
   C. For Discussion – Request by POU Development LLC (Sky Harbour) for a partial waiver of the Agency's Local Workforce Utilization Policy for certain trade contracts, based on a national purchase agreement, specialized construction needs, lack of qualified/available local workforce, and significant cost differentials.
   D. For Discussion - Update regarding Project for Fifth Generation Partners LLC and The Hudson Company (Town of Pine Plains) approved on July 8, 2026, pending letters of support from Town of Pine Plains and Pine Plains Central School District.
10. Adjournment

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 August 26, 2026 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/89123161355 or calling 1-929-436-2866 Meeting ID: 891 2316 1355. The meeting will be recorded and will be posted on the Agency's website.

DRAFT

MINUTES

Dutchess County DCida Industrial Development Agency

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

BOARD OF DIRECTORS REGULAR MEETING

Wednesday, July 8, 2026

Present: Mark Doyle, *Chairman*
Ronald J. Piccone II, *Vice Chairman/Treasurer*
Thomas J. LeCount, *Secretary*
Amy Bombardieri
Kristofer Munn

Unable to Attend: Brian Berryann

Also Present: Robin Mack, Executive Director
Jane Denbaum, CFO
Jasmin Haylett, Office Administrator
Peter Kollmar, Compliance Associate
Counsel: Elizabeth Cappillino & Don Cappillino
Mid-Hudson Development Corp.: Rebecca Edwards, Kelly Libolt & John Morrow
IBM: Meredeth Black, Don Hubble, Logan Dawson, Ann Shershin & Heather Saunders
SH Grasmere: Kurt Evans, Sarah Lee & Don Hubble
Elbow Creek LLC: Sarah Lee & Lauran O'Neill
NRI: Kate Roberts
CivicServe: Will Jackson
Media: Hank Gross
Guests: Doreen Tignanelli, Emily Svenson, Andy Stone, Eoin Wrafter, Lou Dorso, Maureen Gilmartin, Samuel Hickman, Steve Oscarlece, John Goetz, Thomad & Steve

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On Wednesday, July 8, 2026, the Dutchess County Industrial Development Agency [DCIDA] Board of Directors regular meeting was called to order by Chairman Doyle at 8:05 AM. Quorum was established with the following members: Mark Doyle, Jamie Piccone II, Amy Bombardieri, Kristofer Munn and Tom LeCount. Unable to attend was Brian Berryann.

CONFLICT OF INTEREST DISCLOSURES
Chairman Doyle asked board members if they had any potential conflicts with any items on the agenda. Ms. Bombardieri noted she has a conflict with Mid-Hudson Development Corp. and Elbow Creek LLC.

PROOF OF MEETING NOTICE
The meeting notice was posted on July 2, 2026.

BILLS AND COMMUNICATIONS
None

APPROVAL OF MINUTES
Chairman Doyle asked for a motion to approve the June 10, 2026 meeting minutes of the Dutchess County Industrial Development Agency.

A motion was made by Mr. Munn, duly seconded by Mr. Piccone II to approve the DCIDA Board of Directors meeting minutes for June 10, 2026. The roll call was taken; all voted in favor, and the motion was passed.

REPORT OF THE TREASURER
A. Financial Report
Ms. Denbaum reported on June 30, 2026 Balance Sheet and Profit & Loss Statement
- The current cash balance is $2,146,483.80
- On the P&L sheet:
  - The cash revenue before PILOTs is $115,880.72 to a budget of $326,650.00 which is unfavorable to budget by $210,769.28
  - The total expense before PILOTs is $663,016.36 to a budget of $764,303.00 which is favorable to budget by $101,286.64
  - There is a net loss of $547,135.64 to a budgeted net loss of $437,653.00 which is unfavorable to budget by $109,482.64

REPORTS OF COMMITTEES
A. Policy Review Committee
Ms. Mack noted that there was a meeting on June 17, 2026 to discuss the Housing Policy and another meeting will be scheduled to continue discussion on this topic.

UNFINISHED BUSINESS
None

NEW BUSINESS
A. For Consideration and Approval of a Preliminary Resolution for Mid-Hudson Development Corp. (Town of Poughkeepsie) to induce a Project providing for Sales Tax Exemption and Mortgage Recording Tax Exemption for an approximately $11,421,510 Project for the construction and development of a 32-unit multifamily residential apartment community at 2736-2738 South Road in the Town of Poughkeepsie.

Ms. Bombardieri recused herself for this discussion and left the room.

Discussion ensued with questions, responses and comments.

A motion was made by Mr. Piccone II, duly seconded by Mr. Munn to table the Preliminary Resolution for Mid-Hudson Development Corp. (Town of Poughkeepsie) until further documents are submitted. The roll call was taken; all voted in favor, and the motion was passed.

B. For Consideration and Approval of a Preliminary Resolution for International Business Machines Corporation (Town of Poughkeepsie) to induce a Project providing for Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately $2,509,700,000 project for construction and

development its new quantum-computing facility at the IBM campus located at 2455 South Road in the Town of Poughkeepsie.

Discussion ensued with questions, responses and comments.

A motion was made by Mr. LeCount, duly seconded by Ms. Bombardieri to table the Preliminary Resolution for International Business Machines Corporation until further documents are submitted. The roll call was taken; all voted in favor, and the motion was passed.

C. For Consideration and Approval of a Preliminary Resolution for SH Grasmere Acquisition, LLC (Town of Rhinebeck) to induce a Project providing for Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately $199,720,693 Project for the renovation of existing buildings and construction of new buildings for a hospitality and resort facility at 25-29 Mill Road in the Town of Rhinebeck.

Discussion ensued with questions, responses and comments.

A motion was made by Mr. Munn, duly seconded by Ms. Bombardieri to table the Preliminary Resolution for SH Grasmere Acquisition, LLC until further documents are submitted. The roll call was taken; all voted in favor, and the motion was passed.

D. For Consideration and Approval of a Preliminary Resolution for Elbow Creek, LLC (Town of Hyde Park) to induce a Project providing for Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately $82,299,954 Project for the construction and development of a 249-unit multifamily residential community at 1269 Route 9G, Hyde Park.

Ms. Bombardieri recused herself for this discussion and left the room.

Discussion ensued with questions, responses and comments.

A motion was made by Mr. Piccone II, duly seconded by Mr. Munn to table the Preliminary Resolution for Elbow Creek LLC until further documents are submitted. The roll call was taken; all voted in favor, and the motion was passed.

E. For Consideration and Approval of a Supplemental Authorizing Resolution for NRI Hyde Park LLC (Town of Hyde Park) amending the Project previously approved on November 13, 2024 to provide for an increase in the Sales Tax Exemption and Mortgage Recording Tax Exemption, together with project description modifications necessitated by amendments to the approved site plan, in connection with the construction and development of a new hospitality resort at 1946 Campus Drive, Hyde Park.

Discussion ensued with questions, responses and comments.

A motion was made by Mr. Piccone II, duly seconded by Ms. Bombardieri to approve the Supplemental Authorizing Resolution for NRI Hyde Park LLC (Town of Hyde Park) amending the Project previously approved on November 13, 2024 to provide for an increase in the Sales Tax Exemption and Mortgage Recording Tax Exemption, together with project description modifications necessitated by amendments to the approved site plan, in connection with the construction and development of a new hospitality resort at 1946 Campus Drive, Hyde Park. The roll call was taken; all voted in favor, and the motion was passed.

F. For Consideration and Approval of an Authorizing Resolution for Fifth Generation Partners LLC and The Hudson Company (Town of Pine Plains) to approve a Project providing for Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately $9,800,000 Project for expansion and construction of a manufacturing facility and showroom space at 2436 Route 83.

Discussion ensued with questions, responses and comments.

A motion was made by Mr. LeCount, duly seconded by Ms. Bombardieri to approve the Authorizing Resolution for Fifth Generation Partners LLC and The Hudson Company (Town of Pine Plains) to approve a Project providing for Mortgage Recording Tax Exemption, Sales Tax Exemption and a Payment in Lieu of Taxes for an approximately $9,800,000 Project for expansion and construction of a manufacturing facility and showroom space at 2436 Route 83. The roll call was taken; all voted in favor, and the motion was passed.

MISCELLANEOUS

A. CivicServe Economic Development Platform Presentation
Ms. Mack gave a brief overview of CivicServe and Mr. Jackson proceeded to give a presentation about the services offered by CivicServe.

Discussion ensued with questions, responses and comments.

ADJOURNMENT

There being no further business on the agenda to discuss, the meeting was adjourned by Chairman Doyle at 11:50 AM.

Respectfully submitted,

_____ _____
Thomas J. LeCount, Secretary Date

Meeting 07/08/2026
Approved _____
Certified _____

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MINUTES

Dutchess County DCida Industrial Development Agency

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

BOARD OF DIRECTORS SPECIAL MEETING

Wednesday, August 12, 2026

Present: Mark Doyle, *Chairman*
Ronald J. Piccone II, *Vice Chairman/Treasurer*
Thomas J. LeCount, *Secretary*
Kristofer Munn
Brian Berryann

Unable to Attend: Amy Bombardieri

Also Present: Robin Mack, Executive Director
Jane Denbaum, CFO
Jasmin Haylett, Office Administrator
Peter Kollmar, Compliance Associate
Counsel: Elizabeth Cappillino & Don Cappillino
Mid-Hudson Development Corp.: Kelly Libolt & Joslyn Young
Guests: Doreen Tignanelli & Eoin Wrafter

On Wednesday, August 12, 2026, the Dutchess County Industrial Development Agency [DCIDA] Board of Directors special meeting was called to order by Chairman Doyle at 8:02 AM. Quorum was established with the following members: Mark Doyle, Jamie Piccone II, Kristofer Munn, Brian Berryann and Tom LeCount. Unable to attend was Amy Bombardieri.

CONFLICT OF INTEREST DISCLOSURES
Chairman Doyle asked board members if they had any potential conflicts with any items on the agenda. No conflict of interest was noted.

PROOF OF MEETING NOTICE
The meeting notice was posted on August 5, 2026.

BILLS AND COMMUNICATIONS
None

APPROVAL OF MINUTES
None

REPORT OF THE TREASURER
None

REPORTS OF COMMITTEES
None

UNFINISHED BUSINESS
None

NEW BUSINESS

A. For Consideration and Approval of a Preliminary Resolution for Mid-Hudson Development Corp. (Town of Poughkeepsie) to induce a Project providing for Sales Tax Exemption and Mortgage Recording Tax Exemption for an approximately $11,421,510 Project for the construction and development of a 32-unit multifamily residential apartment community at 2736-2738 South Road in the Town of Poughkeepsie.

   Discussion ensued with questions, responses and comments.

   A motion was made by Mr. Piccone II, duly seconded by Mr. Berryann to approve the Preliminary Resolution for Mid-Hudson Development Corp. (Town of Poughkeepsie) to induce a Project providing for Sales Tax Exemption and Mortgage Recording Tax Exemption for an approximately $11,421,510 Project for the construction and development of a 32-unit multifamily residential apartment community at 2736-2738 South Road in the Town of Poughkeepsie. The roll call was taken; all voted in favor, and the motion was passed.

There being no further business on the agenda to discuss, the meeting was adjourned by Chairman Doyle at 8:17 AM.

Respectfully submitted,

_____ _____
Thomas J. LeCount, Secretary Date

Meeting 08/12/2026
Approved _____
Certified _____

Dutchess County Industrial Development Agency
Balance Sheet
As of July 31, 2026

	Jul 31, 26	
ASSETS		
Current Assets		
Checking/Savings		
1010 · Cash		
1152 · Money Market TD Bank	77,325.83	
1156 · CD2 - NBT (Salisbury)	2,076,162.90	
Total 1010 · Cash		2,153,488.73
Total Checking/Savings		2,153,488.73
Accounts Receivable		
11000 · Accounts Receivable		18,325.00
Total Accounts Receivable		18,325.00
Total Current Assets		2,171,813.73
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		
1200 · Receivables	426,762.48	
1310 · Prepaid Expense	1,531.87	
Total 1175 · Other Assets		428,294.35
1400 · Receivables - LT		120,608.57
1600 · Escrow Deposits		
1601 · Cricket Valley Escrow Deposit	2,034,010.30	
Total 1600 · Escrow Deposits		2,034,010.30
Total Other Assets		2,582,913.22
TOTAL ASSETS		**4,754,726.95**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20000 · *Accounts Payable		926.60
Total Accounts Payable		926.60
Total Current Liabilities		926.60
Long Term Liabilities		
2300 · Escrow Deposit Liability		
2301 · Cricket Valley Escrow Deposit	2,034,010.30	
Total 2300 · Escrow Deposit Liability		2,034,010.30
Total Long Term Liabilities		2,034,010.30
Total Liabilities		2,034,936.90
Equity		
2490 · Fund Balance		
3200 · Fund Balance IDA	-25,000.00	
Total 2490 · Fund Balance		-25,000.00

Dutchess County Industrial Development Agency
Balance Sheet
As of July 31, 2026

	Jul 31, 26
30000 · Opening Balance Equity	1,447,427.47
32000 · Unrestricted Net Assets	1,833,911.89
Net Income	-536,549.31
Total Equity	2,719,790.05
TOTAL LIABILITIES & EQUITY	**4,754,726.95**

Dutchess County Industrial Development Agency
Profit & Loss Budget vs. Actual
January through July 2026

	Jan - Jul 26	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Cash Revenues				
4020 · Administrative Fees	20,950.49	175,000.00	-154,049.51	12.0%
4030 · Application Fees	6,000.00	1,000.00	5,000.00	600.0%
4035 · Compliance Fees	21,041.00	29,000.00	-7,959.00	72.6%
4040 · Fees - Other	31,200.00	56,650.00	-25,450.00	55.1%
4910 · Interest	53,482.46	65,000.00	-11,517.54	82.3%
Total 4000 · Cash Revenues	132,673.95	326,650.00	-193,976.05	40.6%
4150 · PILOT Payments	7,365,508.66			
Total Income	7,498,182.61	326,650.00	7,171,532.61	2,295.5%
Expense				
6000 · Expenditures				
6240 · Audit	0.00	14,300.00	-14,300.00	0.0%
6260 · Dues, Publications, Subs	875.00	3,000.00	-2,125.00	29.2%
6280 · Insurance	4,388.68	4,500.00	-111.32	97.5%
6350 · Misc	3,334.06	5,500.00	-2,165.94	60.6%
6500 · Professional Service Contracts	625,000.00	655,000.00	-30,000.00	95.4%
6510 · Professional Services	34,373.55	74,150.00	-39,776.45	46.4%
6520 · Rent	1,251.97	4,353.00	-3,101.03	28.8%
6550 · Travel & Meetings	0.00	3,500.00	-3,500.00	0.0%
Total 6000 · Expenditures	669,223.26	764,303.00	-95,079.74	87.6%
6450 · PILOT Payment	7,365,508.66			
Total Expense	8,034,731.92	764,303.00	7,270,428.92	1,051.2%
Net Ordinary Income	-536,549.31	-437,653.00	-98,896.31	122.6%
Net Income	**-536,549.31**	**-437,653.00**	**-98,896.31**	**122.6%**

PRELIMINARY RESOLUTION
(SH Grasmere Acquisition, LLC 2026 Project)

A regular meeting of the Dutchess County Industrial Development Agency was convened in public session on August 26, 2026 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: Mark Doyle, Chairman
Ronald J. Piccone, II, Vice Chairman/Treasurer
Thomas J. LeCount, Secretary
Amy L. Bombardieri
Brian C. Berryann
Kristofer Munn

ABSENT:

ALSO PRESENT: Robin Mack, 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 SH Grasmere Acquisition, LLC (SH Grasmere Acquisition, LLC 2026 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 SH Grasmere Acquisition, 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, SH GRASMERE ACQUISITION, LLC, a Delaware limited liability company authorized to transact business in the State of New York, having offices at 1521 Concord Pike, Suite 201, Wilmington, Delaware 19803 (the "**Company**"), has submitted an application to the Agency requesting the Agency provide certain "financial assistance" (within the meaning of

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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 hospitality and resort facility (the "**Facility**") consisting of the following:

(A) the renovation of approximately 51,300 square feet of existing buildings and the construction of approximately 57,460 square feet of new buildings and improvements, together comprising a year-round, membership-led rural resort including approximately 135 hotel keys, a members' club, food and beverage facilities, a wellness center, retail, outdoor activity and event spaces, and associated site-wide infrastructure improvements (collectively, the "**Improvements**"), located on approximately 250 acres of land located at 25-29 Mill Road, Town of Rhinebeck, County of Dutchess, State of New York, bearing Tax Map Grid No. and 135089-6169-00-451779 (the "**Land**"); and

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

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

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted by the Department of Environmental Conservation of the State of New York (the laws and regulations hereinafter collectively referred to as "**SEQRA**"), the Agency is required to determine whether the 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

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

(c) compliance with SEQRA;

(d) the agreement between the Agency and the Company on mutually acceptable terms regarding payments in lieu of taxes;

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(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 at 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, Chief Financial Officer, Chairman and Vice Chairman of the Agency (each an "Authorized Officer") are each hereby authorized, on behalf of the Agency, to execute and deliver the Preliminary Agreement with such modifications as such Authorized Officer deems necessary or advisable to carry out and comply with the terms and provisions of this resolution. 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 which shall constitute conclusive evidence of approval of the Preliminary Agreement in the form executed by an Authorized Officer.

5. Pursuant to §875(3) of the Act and under the Agency policy concerning Maintaining Performance Based Incentives (the "**MPBI Policy**"), 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) are 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, if a Recapture Event determination is made by the Agency, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must: (i) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over such amounts due to the Agency under the final agreements between the Company and Agency governing the Project and Financial Assistance.

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.

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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 Rhinebeck, 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:

Mark Doyle, Chairman	VOTING
Ronald J. Piccone, II, Vice Chairman/Treasurer	VOTING
Thomas J. LeCount, Secretary	VOTING
Amy L. Bombardieri	VOTING
Brian C. Berryann	VOTING
Kristofer Munn	VOTING

The Resolution was thereupon declared duly adopted.

Adopted: August 26, 2026

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PRELIMINARY AGREEMENT
(SH Grasmere Acquisition, LLC 2026 Project)

THIS PRELIMINARY AGREEMENT (the "Preliminary Agreement"), made as of August 26, 2026, 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 **SH GRASMERE ACQUISITION, LLC**, a Delaware limited liability company authorized to transact business in the State of New York, having offices at 1521 Concord Pike, Suite 201, Wilmington, Delaware 19803 (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 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 construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of a certain hospitality and resort facility (the "**Facility**") consisting of the following:

(A) the renovation of approximately 51,300 square feet of existing buildings and the construction of approximately 57,460 square feet of new buildings and improvements, together comprising a year-round, membership-led rural resort including approximately 135 hotel keys, a members' club, food and beverage facilities, a wellness center, retail, outdoor activity and event spaces, and associated site-wide infrastructure improvements (collectively, the "**Improvements**"), located on approximately 250 acres of land located at 25-29 Mill Road, Town of Rhinebeck, County of Dutchess, State of New York, bearing Tax Map Grid No. 135089-6169-00-451779 (the "**Land**"); and

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

WHEREAS, the 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

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connection with acquisition, construction, improvement, reconstruction, repair and renovation of the Facility and installation of the equipment; and

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

WHEREAS, the Agency has determined that the provision of the Financial Assistance will promote and further the purposes of the Act; and

WHEREAS, on August 26, 2026, 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. Defined Terms. Capitalized terms not defined herein shall have the meanings assigned to such terms in the Preliminary Resolution.

2. 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) the provision of the Financial Assistance, (ii) the construction, installation, furnishing and equipping of the Facility; and (iii) the subleasing of the Facility to the Company and the leasing of 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) 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.

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

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

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(b) The proposed Financial Assistance 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.

4. 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, and the Agency's final approval of the Financial Assistance, the Company agrees as follows:

(a) The Company shall lease the Facility to the Agency, subject to the terms and conditions set forth in the Lease Agreement.

(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 the 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.

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(c) 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.

5. 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; and (iii) a finding by the Agency, after review of all relevant information, that the Project complies with Section 862(a) of the Act.

(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 and Transaction Counsel in connection with their representation of the Agency in this matter and their preparation of any documents pertaining to the provisions of Financial Assistance.

(d) All commitments of the Agency under ¶2 hereof and of the Company under ¶¶3 and 4 hereof (excepting the obligations of the Company set forth in subparagraphs 4(b) and 5(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].

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IN WITNESS WHEREOF, the parties hereto have entered into this Preliminary Agreement as of the 26th day of August, 2026.

DUTCHESS COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By:_____
Robin Mack, Executive Director

SH GRASMERE ACQUISITION, LLC

By: _____

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Evaluation of Projects Requesting IDA Benefits

Dutchess County Industrial Development Agency (DCIDA)

Project:	SOHO Farmhouse Hudson Valley — SH Grasmere Acquisition, LLC	**Location:**	29 Mill Road, Town of Rhinebeck, Dutchess County, NY 12572

Type of Business:	Leisure and Hospitality — membership-led, year-round rural resort (private members' club, lodging, food & beverage, wellness, retail, and event/outdoor amenities) with adaptive reuse of three National Register–listed structures. Hotels and Motels (NAICS 721110).

Agency Request

Sales Tax	Yes	**Mortgage Tax Exemption**	Yes	**PILOT**	Yes

PILOT requested under the DCIDA Uniform Tax Exemption Policy (Standard 10-year Schedule, RPTL §485-b); no UTEP deviation requested. Sales/use tax exemption and mortgage recording tax exemption also requested. No bond issuance.

Project Description

Development of SOHO Farmhouse Hudson Valley, the first North American SOHO Farmhouse, on a 250-acre entitled site in the Town of Rhinebeck. The Project pairs adaptive reuse and renovation of approximately 51,300 SF of existing structures — including three National Register–listed buildings currently derelict — with approximately 57,460 SF of new construction, together with associated site, civil, and utility infrastructure and fixed equipment.

At full development the resort comprises 135 hotel keys, a members' club, food & beverage facilities, a wellness centre, retail, event spaces, and outdoor amenities; the first phase contemplates 48 keys. Headline capital investment is approximately $199.7 million. The applicant, SH Grasmere Acquisition, LLC (wholly owned by SOHO House & Co.), will be the sole owner-operator and end user of the facility; the applicant will occupy 100% of the completed facility and there are no third-party tenants.

Project Timeline

Proposed date for commencement of acquisition or construction:	Site acquired; pre-construction site work June 2026; construction October 1, 2026

The actual or expected dates of:

Construction completion:	May 2028
Occupancy:	June 2028

Total Cost of Project

Total Project Cost:	$199,720,693
Private Investment (equity $79,720,693 + conventional financing $120,000,000):	$199,720,693 (100% private)
Other public financial assistance / grants and source:	$0 (none requested)

Construction Costs (new construction $47,844,344 + renovation $49,105,888 + infrastructure $45,044,240):	$141,994,472
Benefitted Amount (taxable base subject to sales/use tax):	$123,891,917

Company Incentives

Amount of Sales Tax benefits (estimated):	$10,066,218 ($123,891,917 taxable base × 8.125%)
Amount of Mortgage Recording Tax exemption:	$900,000 ($120,000,000 mortgage × 0.75% exemptible portion)
Estimated real property tax exemption with PILOT:	$4,089,481 over the 10-year Standard PILOT term (Year 1 PILOT $731,347)
Total incentive package (nominal):	$15,055,699

Estimated Amount of Benefit to State & Region*

Anticipated PILOT Tax revenue:	$731,347 / yr (proposed Year 1 PILOT upon completion)
Anticipated Sales Tax revenue:	$8,161,843 over the 10-year PILOT term (MRB algorithm)†
Anticipated Hotel Occupancy Tax revenue:	$10,524,038 over the term (Dutchess County 5% rate, Local Law No. 1 of 2025; ADR $650 / 65% occupancy)
Benefit to Cost Ratio:	42:1 overall (Local 65:1 ; State 5:1), discounted at 2% (MRB algorithm)

*Figures based on MRB algorithms. †Benefit-to-cost, sales-tax-revenue, and construction-spillover figures are derived from DCIDA's MRB modeling using the signed final application and the 80% in-region construction spend convention (Local Workforce Policy); they are not contained in the applicant submission. The sales-tax-revenue term figure and construction spillover should be confirmed against the current calculator run before finalization.

Estimated Property Value Increase^

Current Assessed Value^	Current Property Tax+ (2025/26)	Estimated New Assessed Value^	Net Increase	Est. Year 1 PILOT+
$2,817,400	$26,548	$100,000,000	$97,182,600	$731,347

^Town of Rhinebeck equalization rate 100.00% (2025 final roll / 2026 tax year). Current Assessed Value is the full AV; a partial agricultural exemption reduces current taxable value to $1,908,241. Estimated New Assessed Value of $100,000,000 is a staff working assumption pending assessor or appraisal confirmation. +Current Property Tax reflects the applicant-reported current obligation; the parcel tax baseline for SBLs 6169-00-289358 and 6169-00-451779 is derived from applicant figures and the composite rate and has not yet been independently verified against ParcelAccess or assessor records. Special districts are noted for reference only.

Employment Impact

Committed total FTE jobs: 405 (0 retained + 405 new)
Number of existing FTE jobs to be retained: 0 (new facility)
Total number of new FTE jobs to be created: 405 over 2 years (post-completion)
Average annualized salary of FTE jobs: $80,617 (blended across the five job categories)
Estimated hourly wage average and range: $38.76 avg ($33.65–$86.54)
Total number of construction jobs to be created: ~250 FTEs per year of construction

Jobs created in construction and operations are estimated to have the following spillover impact:

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Initial	—	—
Direct	424	405
Indirect	203	199
Induced	— (not separately modeled)	— (not separately modeled)
Total Effect	**627**	**604**

MRB CBA Calculator (Dutchess County) — direct/indirect multipliers; induced impacts not separately modeled. Operations impact reconciles the application's Section 3 committed 405 FTEs with the ~600 jobs referenced in Section 4 via 199 indirect effects (604 total). Construction impact reflects the corrected 80% in-region construction spend (~$113.6M); the modeled "direct" figure represents construction person-years and is distinct from the application's stated 250 peak construction FTEs per year.

Community Benefits

- ***Revitalization:*** Adaptive reuse and restoration of three National Register–listed structures (~51,300 SF) currently fallen into disrepair, returning a derelict historic estate to productive use rather than greenfield development; a heritage-preservation and rural-corridor catalyst effect.
- ***Identified Growth Area:*** Leisure & Hospitality / tourism — a first-in-North-America destination anchor that raises the wider Hudson Valley visitor market and drives year-round, high-value visitation into a heavily seasonal regional economy.
- ***Investment:*** Approximately $199,720,693 in private capital — far exceeds the >$25M financial-commitment metric under the Section 3.B framework.
- ***Environmental Factors:*** Resource conservation through adaptive reuse, and alternative/renewable energy the design contemplates sustainable energy sources potentially including solar and geothermal.
- ***Employment:*** 0 retained FTEs, 405 new permanent FTEs, and approximately 250 construction jobs per year of construction (~200 permanent jobs estimated from the local workforce area).
- ***Use of Local Contractor(s) and Labor:*** Yes; the Project is subject to the DCIDA Local Workforce Utilization requirement (at least 80% of construction work hours by residents of the nine-county Local Area). The applicant commits to active local recruitment and use of local purveyors, farmers, and vendors. No Local Workforce Utilization waiver is requested.

Statutory Retail Findings (GML §862)

Customers personally visit the site. Approximately 100% of Project cost is attributable to facilities making sales of goods or services to such visitors, so the Section 862 retail restrictions apply. The retail finding rests on tourism: the facility is likely to attract a significant number of visitors from outside Dutchess County. Given the members-only access model, the tourism/out-of-County-visitation basis is the stronger statutory footing than the local-accessibility. Applicant offers a Dutchess County membership option as well. The Project is not located in a Highly Distressed Area, and preserves/increases permanent private-sector jobs in New York State.

Project is consistent with Agency's Mission

Yes — the Project promotes economic development resulting in construction jobs and permanent employment, restores a historic site to productive use, adds substantial taxable value, and generates regional visitor economic activity.

The Project has Municipal Support and PILOT

Municipal Support X PILOT X Request for UTEP Deviation No

The site plan is fully approved by the Town of Rhinebeck; the project conforms with the Town's zoning and planning (Country Inn 2). SEQRA: Negative Declaration (Determination of Non-Significance) adopted June 20, 2022; the Town of Rhinebeck Planning Board is lead agency.

CEO Comments of Importance

1. “But for” confirmation. The Section 2 “but for” confirmation box appears mis-marked “No,” while the application narrative states the applicant would be unlikely to pursue the project at all absent DCIDA assistance.

2. Job-figure reconciliation. Section 3 commits 405 FTEs (two-year figure) while Section 4 references upwards of 600 jobs. These reconcile through the MRB algorithm total employment effect of 604 (405 direct + 199 indirect); the committed direct figure carried in this evaluation is 405.

3. Post-completion assessed value. The $100,000,000 post-completion assessed value is a staff working assumption pending assessor or appraisal input. All PILOT, abatement, and Year 1 PILOT figures depend on it and should be treated as draft.

4. Property tax baseline verification. The current tax baseline for SBLs 6169-00-289358 and 6169-00-451779 is derived from applicant-reported figures and the composite rate; and has been / has not been verified against ParcelAccess records.

5. In-region construction spend basis. In-region construction spending is set at 80% of hard construction cost (~$113.6M) per the Local Workforce Policy convention.

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 Industrial Development Agency
MRB Cost Benefit Calculator

MRB Group
Cost-Benefit Analysis Tool powered by MRB Group

Date	07/05/2026
Project Title	SOHO Farmhouse Hudson Valley (SH Grasmere Acquisition, LLC)
Project Location	29 Mill Road, Town of Rhinebeck, Dutchess County, NY 12572

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Construction Project Costs

$141,994,472

Temporary (Construction)

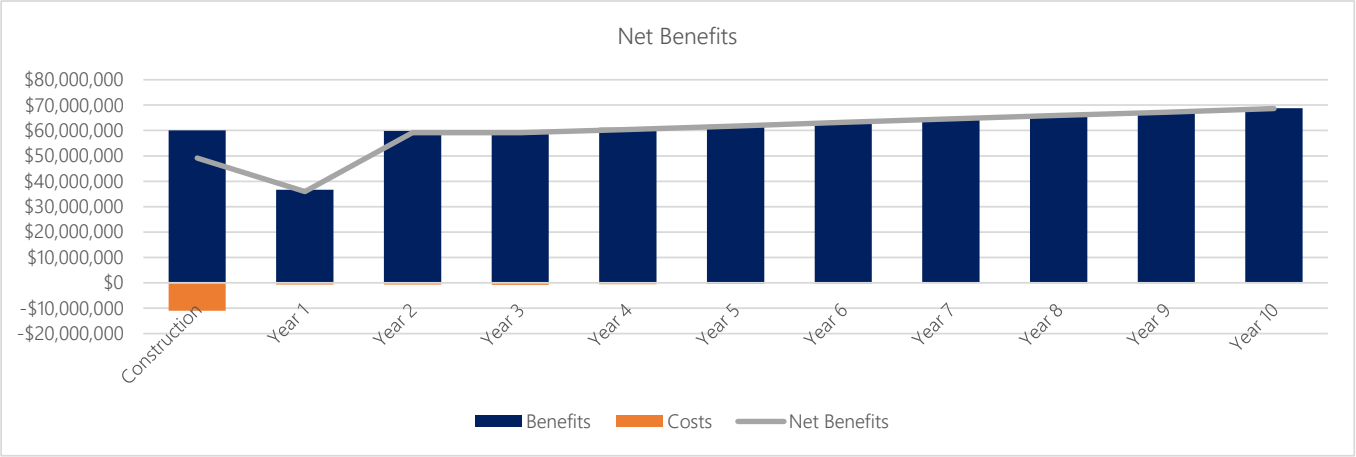
	Direct	Indirect	Total
Jobs	424	203	627
Earnings	$43,751,178	$12,992,971	$56,744,149
Local Spend	$113,595,578	$44,069,018	$157,664,596

Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	405	199	604
Earnings	$333,037,087	$233,292,703	$566,329,790

Figure 1



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

Figure 2

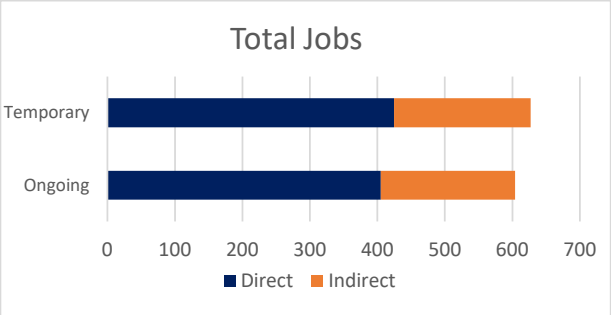
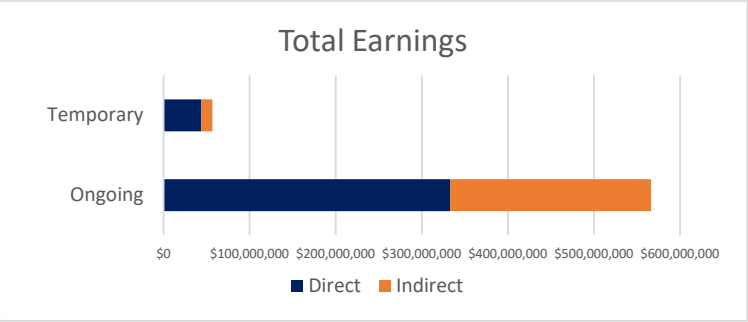


Figure 3



Ongoing earnings are all earnings over the life of the PILOT.

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Fiscal Impacts

MRB Group

Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	$4,089,481	$3,795,852
Sales Tax Exemption	$10,066,218	$10,066,218
Local Sales Tax Exemption	*$4,870,751*	*$4,870,751*
State Sales Tax Exemption	*$5,195,467*	*$5,195,467*
Mortgage Recording Tax Exemption	$900,000	$900,000
Local Mortgage Recording Tax Exemption	*$300,000*	*$300,000*
State Mortgage Recording Tax Exemption	*$600,000*	*$600,000*
Total Costs	**$15,055,699**	**$14,762,070**

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	**$649,013,706**	**$585,324,778**
To Private Individuals	$623,073,940	$562,260,223
Temporary Payroll	*$56,744,149*	*$56,744,149*
Ongoing Payroll	*$566,329,790*	*$505,516,074*
Other Payments to Private Individuals	*$0*	*$0*
To the Public	$25,939,767	$23,064,554
Increase in Property Tax Revenue	*$11,326,806*	*$10,007,246*
Temporary Jobs - Sales Tax Revenue	*$372,383*	*$372,383*
Ongoing Jobs - Sales Tax Revenue	*$3,716,539*	*$3,317,449*
Other Local Municipal Revenue	*$10,524,038*	*$9,367,476*
State Benefits	**$32,399,845**	**$29,237,532**
To the Public	$32,399,845	$29,237,532
Temporary Income Tax Revenue	*$2,553,487*	*$2,553,487*
Ongoing Income Tax Revenue	*$25,484,841*	*$22,748,223*
Temporary Jobs - Sales Tax Revenue	*$397,209*	*$397,209*
Ongoing Jobs - Sales Tax Revenue	*$3,964,309*	*$3,538,613*
Total Benefits to State & Region	**$681,413,551**	**$614,562,309**

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	$585,324,778	$8,966,603	65:1
State	$29,237,532	$5,795,467	5:1
Grand Total	**$614,562,309**	**$14,762,070**	**42:1**

*Discounted at the public sector discount rate of: 2%

Additional Comments from IDA

Other Local Municipal Revenue = Dutchess County hotel occupancy tax (5% per Local Law No. 1 of 2025). Estimate assumes ADR $650 at 65% occupancy; 48 keys in Year 1 (Phase 1), 135 keys from Year 2 (full development), escalated 2%/yr. Room revenue only; F&B, membership, spa and retail revenue excluded. WORKING ASSUMPTION pending applicant pro forma.

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

Does this project provide onsite childcare facilities? No

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General Information

I. Project Identification

Company Name: SH Grasmere Acquisition, LLC	FEIN: 41-5165156
Address 1521 Concord Pick Suite 201	Name and Title of Contact Person Kurt Evans
City County Zip Wilmington New Castle 19803	Telephone Number 213 505 7133
Website https://www.sohohouse.com/en-us/	Email kurt.evans@sohohouse.com
Full Address of the site/location of the proposed project, including County and Zip Code 29 Mill Road, Rhinebeck NY 12572	

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	
Print Name	Neil Thomson
Title	CFO
Date	29 June 2026

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:	Kurt Evans		
Title:	Global Development Director		
Address	9200 Sunset Boulevard, West Hollywood, CA 90069		
Phone:	213-505-7133	Fax:	NA
Email:	kurt.evans@sohohouse.com		

B. Company Counsel:

Name of Attorney:	Dan Hubbell & Catherine Kemp		
Firm Name:	Whiteman, Osterman & Hanna LLP		
Address	One Commerce Plaza, Albany, NY		
Phone:	518-487-7692	Fax:	518-487-7777
Email:	DHubbell@woh.com; ckemp@woh.com		

C. Form of Business Organization:

___ For-profit corporation ___ Not-for-profit corporation

___ General partnership ___ Limited partnership

X Limited liability company ___ Sole proprietorship

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

3/25/2026; Delaware

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

03/27/2026

D. Please list Principal Owners/Officers/Directors

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

Grasmere House, LLC (100%)

55 Water Street, 3rd Fl % Legal, Brooklyn, NY 10021

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

Soho House & Co. Inc.

E. Holding Company

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

What is the name of the Real Estate Holding Company: _____

Federal Employer ID Number: _____

State and Year or 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:

NA

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

Soho House & Co Inc. is a global membership-led hospitality company operating a portfolio of private members' clubs, hotels, restaurants, spas and workspaces across North America, Europe and beyond.

The company's core proposition is a curated membership model connecting a community of creative professionals through a network of Houses worldwide.

Soho House's operations span multiple revenue streams including membership subscriptions, hotel accommodation, food and beverage, wellness, retail (Soho Home), events and cultural programming. The company currently operates multiple 'Houses'

across New York City, with circa 20,000 members in the New York area alone.
Soho House is developing Soho Farmhouse Hudson Valley, its first North American Farmhouse, on a 250-acre entitled site in the Town of Rhinebeck, Dutchess County. The development will deliver a year-round, membership-led rural resort offering (upon full development of the project) 135 hotel keys, a members' club, food and beverage facilities, a wellness centre, retail, outdoor activities and event spaces. The project will create significant local employment and economic activity, with a target opening of Q3 2028. The first phase of the project contemplates the development of 48 hotel keys.

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

This is a newly formed company that was created to acquire the land, but is wholly owned by the Soho House group.
Soho House was founded in London in 1995 as a private members' club designed to provide a creative and social space for those working in film, media and the arts. The original House opened in Greek Street, Soho, London, giving the company its name. From that single London location, Soho House has grown steadily into a global hospitality business. The company expanded first across the United Kingdom before extending its footprint into North America, Europe and beyond, with its first US location being in New York City.
The launch of the Soho Farmhouse concept in Oxfordshire in 2015 established the rural retreat format now being brought to North America — with a subsequent expansion of the Farmhouse model to Ibiza in 2025.
Today, Soho House & Co Inc. operates a global portfolio of members' clubs, hotels, restaurants, spas, cinemas and workspaces across major cities and destinations worldwide. The business is headquartered in London, with significant operational presence across North America and Europe and a key corporate office in New York City.

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

H. Does the Company have or had projects that were 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. __ Yes _X No

If yes, please list: _____

_____

_____

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

No _____

_____

_____

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.

The entity was recently formed and as such there is no recent financial information available.

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

Submitted under separate letter.

Section 2: Project Description & Details

A. Industry

Please check off the Project's Industry Sector:

___ Natural Resources / Mining
___ Construction
___ Utilities
___ Manufacturing
___ Wholesale / Retail
___ Transportation /Warehousing
___ Information Technology
___ Financial Services
___ Professional / Business Services
___ Education or Healthcare Services
X Leisure and Hospitality
___ Government
___ Other (Please write): _____

North American Industrial Classifications Number (NAICS) 721110

B. Project Location

Project Address 29 Mill Road, Rhinebeck, NY

Section Block Lot (SBL) Number for Property which proposed Project will be located: 6169-00-289358; 6169-00-451779

Property Tax Jurisdiction:

Municipal: Town of Rhinebeck, Dutchess County, New York
School District: Rhinebeck Central School District

Are the Real Property Taxes current? X Yes ___ No
If no, please explain _____

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

X Water
___ Gas
X Electric
___ Sanitary/Storm Water

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

If no, Present legal owner of site: _____

Does the Applicant or related entity have an option /contract to purchase the Project site? ___ Yes X No

Describe the present use of the proposed Project Site
The historic property has 3 buildings listed on the National Historic Register. All have fallen into disrepair. None of the buildings or grounds are presently in use.

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

___ Acquired X Constructed
X 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 attached document outlining proposed project, uses and purposes.

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).*

Soho House is extremely excited to pursue the Farmhouse Hudson Valley project, building on the success of the original Soho Farmhouse in Oxfordshire, England. Soho House is equally excited to bring additional economic development and tourism to the surrounding community and to Dutchess County, knowing that the project's and the County's broader success must be mutually achieved. This is why the IDA's support is so critical to enabling the project to proceed.

Should the project not receive financial assistance from the IDA, Soho House would unfortunately be unlikely to pursue the project at all.

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 X 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.

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?

Yes, the market area has no comparable hospitality offering. Ownership has received significant favorable responses and expressed interest from both the local community as well as potential members from the New York City Metropolitan area.

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, the project conforms with the Town's zoning and planning. The site plan is fully approved by the Town of Rhinebeck.

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 - project will use sustainable energy sources, potentially including solar and geothermal energy sources.

Is the project of a speculative nature?

No. Owner owns the property and fully intends to see it through, subject to the IDA providing the requested financial assistance.

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

Will the Project include leasing any equipment? X Yes ___ No

C. Zoning of Project Site:

Current Country Inn 2

Proposed Country Inn 2

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.
NA

The approximate acreage of the land to be purchased or leased:
NA, Applicant currently owns the 250 acre site

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

51,300 SF

The approximate square footage of the planned *new* construction is:
57,460 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.

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? _X_ Yes No
If yes, please list:
The only known contaminations are minor amounts of asbestos and lead paint. The SEQRA review has been completed with a Negative Declaration (Determination of Non-Significance) on June 20 2022.

Has another entity been designated lead agent under the State Environmental Quality Review Act? _X Yes __ No
If yes, please explain

The Town of Rhinebeck Planning Board is the lead agent

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)	$ 17,500,000
2. New Construction	$ 47,844,344
3. Reconstruction/Renovation/Expansion	$ 49,105,888
4. Infrastructure Work	$ 45,044,240
5. Fixed Equipment (Taxable) (Spending that will be subject to sales tax – i.e. machinery and equipment)	$ 23,194,750
6. Other Tax Exempt (non-construction spending that will not be subject to sales tax)	$
7. Professional Services (Architect, Legal Fees[1], Engineering fees)	$ 17,031,471
8. Other Taxable (please specify)	$
9. Other (please specify)	$
Estimated Total Project Cost	$ 199,720,693

Uses (Financing, Legal, Miscellaneous)

	Estimated Fees
IDA Administrative Fees (See page 1)	$ 686,802
IDA Counsel	$ Included in No. 7
Applicant Counsel	$ Included in No. 7
Transaction Counsel	$ Included in No. 7
Bond Counsel	$ NA
Underwriter Counsel	$
Trustee Counsel	$
Other Costs of Bond Issue (i.e. printing)	$ NA
If this is a bond transaction, will you be refunding bonds? And if so state amount here	$ NA

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	$	79,720,693
Amount of other conventional financing	$	120,000,000
Amount financed by bond issue	$	0
Public Sources (Include sum total of all state and federal grants and tax credits)*	$	
Total Sources of Funds for Project Cost	$	199,720,693

*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?
The project has already been acquired and pre-construction site work is anticipated to commence in June 2026. Construction is scheduled to begin on 10/1/2026

Please indicate the actual or expected dates of :

Construction completion: May 2028

Occupancy: June 2028

Will the company be occupying 100% of the completed facility? X Yes ___ No
If no, will there be tenants in the remaining space? ___ Yes X 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.
Not applicable

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)

X Complete Application

X Meets NYS/DCIDA Requirements

X SEQRA / Planning Approval
Approval Date: 6/22/2022

X Meets Project Use Definition

X "But For" Requirement

X Will Directly Retain or Create Jobs

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.

Revitalization

Target Geography

___ Distressed Census Tract/Area
___ High Vacancy Census Tract
___ Transit Oriented Development
___ BID
___ Neighborhood Plan

Identified Priority

___ Tax Exempt
___ Vacant
X Adaptive Re-use
___ Community Catalyst

Identified Growth Area

___ Manufacturing / Distribution
___ Technology
___ Existing Cluster

Investment

Financial Commitment

___ 3 – 10 million
___ 10.1 – 17.5 million
___ 17.6 – 25 million
X >25 million

Community Commitment

___ MWBE/DBE Participation
___ Veteran Participation
___ Workforce /Affordable Housing
X Local Workforce
___ Apprenticeship Program
___ Public Infrastructure

Environmental Factors

X Resource Conservation
___ Energy Efficiency
___ Green Technology
___ Alternative / Renewable Energy

Employment

Permanent Jobs

___ 3-40
___ 21-80
___ 81-120
___ 121-180
X > 180

Retained Jobs

___ 3-40
___ 21-80
___ 81-120
___ 121-180
___ > 180

Construction Jobs

___ 6-80
___ 81-160
___ 161-240
X >240

C. Project Benefits

Financial Assistance Provided

1. Estimated Sales Tax Exemption^

$123,891,917	X	.08125	=	$10,066,218
Amount of Project Cost Subject to Tax		Sales Tax Rate		Total

2. Estimated Mortgage Recording Tax Exemption

$ 120,000,000	X	.0075	=	$900,000
Projected Amount of Mortgage		Mortgage Recording Tax		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:	$2,817,400 (however part of the property has an Ag exemption so taxable value is $1,908,241)
Current Property Taxes	$26,548
Estimated Property Value after project completion	To be determined

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

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

Estimated tax abatement resulting from this project $ _____

(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.

D. Employment

A. Benefits = Economic Development Impacts (For Project Location Only)

By statute, the DCIDA must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. The DCIDA will use job projections upon the two (2) year time period following Project completion.

a. Employment should be quantified by "FTE", which shall mean: (a) a full-time, permanent, private-sector employee on the project's payroll, who has worked (or is projected to work) at the project facility for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties;

b. or (b) two part-time, permanent, private-sector employees on the Applicant's payroll, who have worked (or are projected to work) at the project facility for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties

Employment by category at Project Location only

Job Category	Current Number of FTE's	Number of FTE's Retained	Average Salary or Range of Salary	Number of FTE's to be created upon 2 years	Average Salary or Range of Salary
Owner/Executive	0	NA		5	180000
Professional	0	NA		25	150000
Management	0	NA		75	90000
Administrative	0	NA		50	75000
Production	0	NA		250	70000
Other	0	NA			
Total*				405	

Are employees currently covered by a collective bargaining agreement?
If yes, Name and Local?
No

Are employees provided retirement benefits? __ Yes _x_ No (401k benefit provided as optional)

Are employees provided health benefits? _x_ Yes __ No (Subsidized healthcare plan provided as an option)

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

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

200

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

We will actively seek to recruit and utilize the local workforce through local advertising, community open days, recruitment consultants, educational institutions, and workforce development organizations. We will leverage established relationships with local hospitality businesses, vendors, purveyors, farmers, and growers to identify qualified candidates and promote employment opportunities. Where possible, we will prioritize hiring local residents and engaging local businesses and suppliers, helping to maximize the project's economic benefits for the Dutchess County community.

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?
250 FTE's per year of construction

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 [X] Yes [ ] No Services [X] 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?

[X] 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? ___100__% 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?

[X] 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?

[X] 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?

[X] Yes [ ] No If yes, please explain Project will create upwards of 600 full time jobs

Is the project located in a Highly Distressed Area?

[ ] Yes [X] 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 X 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 X No

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

___ Yes X 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.

NA

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:
NA

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:

Not applicable

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 NA

Print Name

Title

Date

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	Neil Thomson
Title	Chief Financial Officer
Date	29 June 2026

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):

Principal Amount of Bonds	Percentage Fees
$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 20,000000	.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 if 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; or
- 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.

SH Grasmere Acquisition, LLC

Neil Thomson

Chief Financial Officer

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.

DESTINATION DUTCHESS

HUDSON VALLEY, NY ✦ EST. 1683

June 23, 2026

RE: Support for the Soho House Grasmere (Soho Farmhouse Hudson Valley) Project

Dear Dutchess County Industrial Development Agency Board Members,

I am writing in support of the proposed Soho House Grasmere (a.k.a. Soho Farmhouse Hudson Valley) in the Town of Rhinebeck. This transformative project on the historic 250-acre Grasmere Estate represents a significant opportunity to further elevate Dutchess County's profile as a premier destination for hospitality and experiential tourism.

As the steward of tourism in Dutchess County, Destination Dutchess is committed to projects that responsibly enhance our region's economic vitality while preserving its unique character, historic resources, and natural beauty. The adaptive reuse and restoration of the Grasmere Estate's historic manor house, stone barn, and surrounding structures align perfectly with these goals. Soho House's plans for guest accommodations, food and beverage outlets the feature local ingredients, spa and wellness facilities, hiking, cycling, and other nature-based activities will create a world-class countryside retreat that complements our existing tourism offerings.

From an economic development perspective, this project represents a meaningful investment in the Town of Rhinebeck and Dutchess County. Including but not limited to:

- **Increased visitor spending and length of stay**: The project is expected to attract domestic and international visitors drawn to Soho House's global reputation. These guests will patronize local businesses, restaurants, shops, farms, wineries, and attractions throughout Dutchess County, extending their stays and boosting regional revenue.
- **Job creation and workforce development**: Construction and ongoing operations will generate direct employment in hospitality, food service, maintenance, and wellness sectors, while indirectly supporting many suppliers and service providers across the county.
- **Year-round tourism stimulus**: The resort's offerings will help diversify our seasonal tourism economy, encouraging visitation beyond peak periods and supporting sustainable growth.
- **Historic preservation and community enhancement**: By revitalizing a historically significant property, the project contributes to cultural heritage tourism while setting a positive example for thoughtful development.

Overall, the project reflects a responsible and forward-looking approach to development that is consistent with both the Town's planning framework and the DCIDA's goals of fostering economic opportunity and enhancing quality of life throughout the region.

I respectfully urge the DCIDA to support this important project and recognize its potential to deliver significant economic and community benefits for the Town of Rhinebeck and Dutchess County.

Sincerely,

Melaine Rottkamp, CDME
President & CEO

PRELIMINARY RESOLUTION
(Crofton Mews 2026 Project)

A regular meeting of the Dutchess County Industrial Development Agency was convened in public session on August 26, 2026 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: Mark Doyle, Chairman
Ronald J. Piccone, II, Vice Chairman/Treasurer
Thomas J. LeCount, Secretary
Amy L. Bombardieri
Brian C. Berryann
Kristofer Munn

ABSENT:

ALSO PRESENT: Robin Mack, 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 Elbow Creek, LLC (Crofton Mews 2026 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 Elbow Creek, 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, ELBOW CREEK, LLC, a New York limited liability company having offices at 241 Hudson Street, Hackensack, New Jersey 07601 (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

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following project (the "**Project**") in connection with the acquisition, construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of a certain multifamily residential facility (the "**Facility**") consisting of the following:

(A) the construction of an approximately 307,468 square foot multifamily residential community consisting of approximately 249 dwelling units in 64 low-rise, two-story residential buildings, together with a clubhouse and an approximately 3,150 square foot commercial building, along with site-wide infrastructure improvements (collectively, the "**Improvements**") located on approximately 57.72 acres of land located at 1269 Route 9G, Town of Hyde Park, County of Dutchess, State of New York, bearing Tax Map Grid Nos. 133200-6165-01-340743 and 133200-6165-01-357618 (the "**Land**"); and

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

WHEREAS, the 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:

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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) 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 holding of a Hearing pursuant to §859-a of the Act; and

(e) 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, Chief Financial Officer, Chairman and Vice Chairman of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Preliminary Agreement and the Secretary (or Assistant Secretary) of the Agency is

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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, Chief Financial Officer, Chairman or Vice Chairman of the Agency 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. Counsel to the Agency is 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 and Agency's Counsel in relation to this Project and the provision of Financial Assistance.

8. The Agency hereby approves and authorizes the following actions by the Chairman of the Agency, prior to the granting of any Financial Assistance with respect to the Project, after consultation with 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 Hyde Park, 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

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public hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency.

9. The Executive Director of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and 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.

10. This Resolution shall take effect immediately.

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

Mark Doyle, Chairman	VOTING
Ronald J. Piccone, II, Vice Chairman/Treasurer	VOTING
Thomas J. LeCount, Secretary	VOTING
Amy L. Bombardieri	VOTING
Brian C. Berryann	VOTING
Kristofer Munn	VOTING

The Resolution was thereupon declared duly adopted.

Adopted: August 26, 2026

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PRELIMINARY AGREEMENT
(Crofton Mews 2026 Project)

THIS PRELIMINARY AGREEMENT (the "Preliminary Agreement"), made as of August 26, 2026, 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 **ELBOW CREEK, LLC**, a New York limited liability company having offices at 241 Hudson Street, Hackensack, New Jersey 07601 (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 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 multifamily residential facility (the "**Facility**") consisting of the following:

(A) the construction of an approximately 307,468 square foot multifamily residential community consisting of approximately 249 dwelling units in 64 low-rise, two-story residential buildings, together with a clubhouse and an approximately 3,150 square foot commercial building, along with site-wide infrastructure improvements (collectively, the "**Improvements**") located on approximately 57.72 acres of land located at 1269 Route 9G, Town of Hyde Park, County of Dutchess, State of New York, bearing Tax Map Grid Nos. 133200-6165-01-340743 and 133200-6165-01-357618 (the "**Land**"); and

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

WHEREAS, the 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

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

WHEREAS, on August 26, 2026, 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) 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:

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(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) 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

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governmental approvals; and (ii) approval of the members of the Agency; [and (iii) a finding by the Agency, after review of all relevant information, that the Project complies with Section 862(a) of the Act].

(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 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].

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

IN WITNESS WHEREOF, the parties hereto have entered into this Preliminary Agreement as of the 26th day of August, 2026.

DUTCHESS COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By:_____
Robin Mack, Executive Director

ELBOW CREEK, LLC

By: _____
Lauran O'Neill, Authorized Signatory

DRAFT

CAPPILLINO, ROTHSCHILD & EGAN LLP
Attorneys at Law
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Evaluation of Projects Requesting IDA Benefits

Dutchess County Industrial Development Agency (DCIDA)

Project:	Crofton Mews (Elbow Creek, LLC)	**Location:**	1269 Route 9G, Town of Hyde Park, Dutchess County, NY 12538

Type of Business:	New multifamily residential construction and operation. New Multifamily Housing Construction (NAICS 236116) during the construction phase; residential rental housing operations — Lessors of Residential Buildings (NAICS 531311) — with a neighborhood childcare use (Child Day Care Services, NAICS 624410) in the ~3,150 SF commercial building. A 249-unit rental community developed by Elbow Creek, LLC, an affiliate of The O'Neill Group.

Agency Request

Sales Tax	Yes	**Mortgage Tax Exemption**	Yes	**PILOT**	Yes

Sales tax exemption, mortgage recording tax exemption, and a 15-year PILOT requested. The Applicant elects the DCIDA Uniform Tax Exemption Policy (UTEP); no bond issuance requested.

Project Description

Ground-up new construction of Crofton Mews, a 249-unit multifamily rental community on a currently vacant 55.54-acre site (87.74 acres owned/controlled) at 1269 Route 9G in the Town of Hyde Park. The community comprises 64 low-rise, two-story carriage-style residential buildings (~307,468 SF residential), a clubhouse with recreation and amenity facilities, and a ~3,150 SF commercial building for a neighborhood childcare use. Unit mix: 124 one-bedroom, 64 two-bedroom, and 60 three-bedroom units (248 rentable plus one superintendent unit = 249). The Project delivers substantial public infrastructure at private expense — a centralized on-site wastewater treatment plant, a new bridge replacing a failing culvert over Crum Elbow Creek (offered for dedication to the Town), a 12-inch DCWWA water-main extension and emergency interconnect (also available to serve failing area water systems), and NY-9G roadway-widening improvements — together with permanently preserved open space and protected Blanding's Turtle habitat. Elbow Creek, LLC holds fee title and all major entitlements and permits; the site is fully entitled and shovel-ready.

Project Timeline

Proposed date for commencement of acquisition or construction:	September 2026

The actual or expected dates of:

Construction completion:	September 2029
Occupancy:	September 2028 (targeted start of rolling occupancy)

Total Cost of Project

Total Project Cost:	$82,299,954
Private Investment (equity $20,799,954 + conventional financing $61,500,000 — 100%):	$82,299,954
Other public financial assistance / grants and source:	$0 committed (a CFA / ESD-REDC grant application is contemplated but not yet awarded)
Construction Costs (per NYS Labor Law §224-a; new construction $52,798,704 + infrastructure $10,500,000):	$63,298,704

Benefitted Amount (project cost subject to sales/use tax):	$25,319,482

Company Incentives

Amount of Sales Tax benefits:	$2,057,208
Amount of Mortgage Recording Tax exemption:	$461,250
Estimated real property tax exemption with PILOT (Year 1 abated amount):	$513,856 (Year 1); cumulative over the 10-year term ≈ $2,629,977 per the applicant schedule*

**Applicant's Exhibit B states an estimated $1,027,712 unabated tax bill following construction and a cumulative abatement of approximately $2.6M; DCIDA MRB modeling yields approximately $2,937,551.. The difference should be reconciled before board action.*

Estimated Amount of Benefit to State & Region*

Anticipated PILOT Tax revenue (proposed Year 1 PILOT payment):	$8,243,753 Total PILOT (Estimated $1,252,775 in annual Property Taxes following PILOT Term)
Anticipated Sales Tax revenue:	$1,134,811
Benefit to Cost Ratio:	*19 : 1*

**Figures based on MRB algorithms. Sales-tax-revenue and benefit-to-cost figures are derived from DCIDA's MRB modeling and are not contained in the applicant submission; the benefit-to-cost ratio is carried from DCIDA's MRB run and should be confirmed against the populated CBA workbook.*

Estimated Property Value Increase^

Current Assessed Value^	Current Property Tax+ (2024)	Estimated New Assessed Value^	Net Increase	Est. Year 1 PILOT+
$102,100	$6,562.27	Not disclosed°	See note°	$1,252,775

^Town of Hyde Park final-roll assessed values; figures exclude special districts. °Post-completion assessed value was left blank in the application. PILOT and full-tax figures rest on the applicant's disclosed stabilized pro-forma, under which the full unabated Year-1 tax obligation is $1,027,712 / yr; the Year-1 PILOT payment of $513,856 reflects a 50% abatement. +Est. Year 1 PILOT is the proposed Year-1 payment following the 10-year schedule.

Employment Impact

Committed total FTE jobs:	6 (0 retained + 6 new — new build)
Number of existing FTE jobs to be retained:	0
Total number of new FTE jobs to be created:	6 over 2 years (post-completion): 2 Management ($75,000–$95,000), 2 Administrative ($45,000–$60,000), 2 Other ($35,000–$70,000)
Average annualized salary of FTE jobs:	≈ $63,333
Estimated hourly wage average:	≈ $34.80
Total number of construction jobs to be created:	90–110 (In Application)

Jobs created in construction and operations are estimated to have the following spillover impact:

Impact Type	Temporary (Construction) Employment*	Permanent (Operations) Impact*
Direct	301	74
Indirect	90	34
Total Effect	391	108

Figures based on MRB Cost Benefit Analysis

Community Benefits

- ***Revitalization:*** Redevelopment of a long-vacant site that previously defeated one developer under a 2003 plan; the Applicant reduced density by 68 units and delivers major public infrastructure at private expense.

- ***Identified Growth Area / Recognized Need:*** Addresses documented Dutchess County shortages of modern multifamily rental housing and of licensed childcare capacity; consistent with the Town of Hyde Park Comprehensive Plan and County housing-needs findings.
- ***Investment:*** Approximately $82,299,954 — far exceeds the >$25M financial-commitment metric.
- ***Environmental Factors:*** Resource conservation, energy efficiency, and green technology — NYS energy-code / C-PACE efficiency thresholds, high-efficiency HVAC, LED lighting, ENERGY STAR appliances, and an efficient building envelope; plus a 23.53-acre Resource Protection Area, permanently preserved open space, and protected Blanding's Turtle habitat.
- ***Employment:*** 6 new permanent FTEs and 90–110 construction jobs.
- **Use of Local Contractor(s) and Labor:** Yes — subject to the DCIDA Local Workforce Policy (80% threshold for projects ≥$10M receiving a real property tax abatement). No waiver requested.

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 and PILOT

Municipal Support X PILOT X Request for UTEP Deviation No

SEQRA complete: the Town of Hyde Park Planning Board acted as Lead Agency; the DCIDA may rely on the completed review. Note: pending litigation — Elbow Creek, LLC v. Dutchess County Water and Wastewater Authority (Index No. 2025-52) — involves the project's water supplier.

CEO Comments of Importance

CEO recommends conditional approval. The project is fully entitled and shovel-ready, delivers 249 units of needed rental housing plus a neighborhood childcare use, and provides substantial public infrastructure at private expense; the "but-for" case is well supported by the going-in coverage analysis. The following items should be resolved as conditions of, or prior to, final approval:

1. Post-completion assessed value was left blank in the application; the PILOT and full-tax figures rest on the applicant's pro-forma and should be confirmed by the Assessor.
2. Reconcile cumulative abatement: applicant ≈ $2.6M vs. DCIDA MRB ≈ $2,985,128.
3. Reconcile the employment figures: 6 committed new FTEs vs. 13 projected local residents to fill new positions.
4. Confirm the status and materiality of pending litigation, Elbow Creek, LLC v. DCWWA (Index No. 2025-52).
5. Treat any CFA / ESD-REDC grant as $0 until awarded; committed public assistance is currently $0.

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.

PREPARED FOR:

ThinkDutchess/DCIDA
Three Neptune Road
Poughkeepsie, NY 12601

Reasonableness Assessment for Financial Assistance

ELBOW CREEK, LLC

AUGUST 2026

PREPARED BY:

camoin associates

CONTENTS

Executive Summary 1

1. Operating Assumptions 2

2. PILOT Analysis 3

3. Operating Performance 5

4. Financing Plan 6

5. Rate of Return 7

Appendix A: Scope of Services 8

Appendix B: Definitions 9

EXECUTIVE SUMMARY

Project Description

The Dutchess County Industrial Development Agency (Agency) received an application from Elbow Creek, LLC (Applicant) for financial assistance to develop 248 residential units and 3,150 square feet of retail space at 1269 Route 9G, Hyde Park, NY 12538.

The Project represents an $82.3 million investment. To support this project, the Applicant requests financial assistance through a 15-year Payment In Lieu of Taxes (PILOT) agreement.

Purpose of this Analysis

An objective, third-party review of a project's assumptions and estimated operating and financial performance helps Industrial Development Agencies perform a complete evaluation of a proposed Project. Camoin Associates was engaged to analyze the Project and deliver an analysis and opinion to answer three questions:

- Are the operating assumptions, such as rent, vacancy, and expenses, within regional norms?
- Is the assistance necessary for the Project to be financially feasible and, therefore, undertaken by the Applicant?
- If assistance is awarded, will the Applicant's rate of return on investment be similar to market expectations for similar projects in the region and, therefore, reasonable?

Findings:

- Operating assumptions, such as rent, vacancy, and expenses, are within regional norms.
- The PILOT creates a stronger financial picture for the Project. Both scenarios show equity dividend rates and debt service coverage ratios within industry benchmark ranges, but the PILOT scenario performs better on both.
- The 15-year PILOT enables the Project to achieve a return on investment within market expectations for similar projects. The PILOT allows the Applicant to recoup its initial investment within the 15-year study period, which does not occur without the PILOT.

1. OPERATING ASSUMPTIONS

The project includes 248 market-rate units across three unit types. Across all unit types, proposed rents run slightly to moderately above Dutchess County market medians for comparable properties built in 2000 or later.

Finding: Residential rents are 3-16% higher than current rents in Dutchess County and are reasonable given the new units at the Project.

Apartment Unit Type, Rent, and Household Income

	Type of Apartment (1)	Number of Units in Project(1)	Average Rent per Month (1)	Rent per Year	Household Income Required (2)	Median Rent for Dutchess County (3)	Benchmarks
	1BR	124	$2,131	$25,573	$85,242	$2,063	Rent is 103% of market asking rent in Dutchess County
Market Rate	2BR	64	$2,927	$35,119	$117,063	$2,529	Rent is 116% of market asking rent in Dutchess County
	3BR	60	$3,132	$37,580	$125,267	$2,998	Rent is 104% of market asking rent in Dutchess County

(1) Source: Applicant

(2) Income needed to pay no more than 30% on rent

(3) Median monthly rent for properties built in 2000 or later in Dutchess County, NY; Source: CoStar

2. PILOT ANALYSIS

A 15-year PILOT is proposed for the Project. Assumptions used in this analysis include:

- In 2024/2025, the property paid $6,562 in property taxes. Without the Project, the site is assumed to remain as is and continue to increase in taxable value by 2% annually.
- A 15-year PILOT was proposed, which would abate the increase in taxes over a fifteen (15) year period, starting at 50% for the first two years, eventually phasing to 0% exemption in year 10, holding at 0% through year 15.
- Upon completion and without a tax abatement, the Project would have a year-one tax payment of $1,027,712.

With the proposed PILOT agreement, the Applicant will pay more in property taxes than it currently does. Over the 15-year term, the Project will generate $14.7 million in net new tax revenue for the municipalities compared to no project being built, while the Applicant saves an estimated $4.3 million in taxes, a 23% average abatement across the term. The table on the following page shows the timeline of the PILOT and tax payments generated by the Project. It calculates the benefits to the municipalities and the benefits (or savings) to the Project.

Real Property Tax Comparison - 15 Year PILOT

Comparison of Taxes on Full Value of Project and with PILOT	
Taxes without PILOT	$19,114,327
Less: PILOT/Tax Payments	($14,787,520)
Foregone Revenue (Benefits to Project)	$4,326,807
Abatement Percent	23%
Net New Taxes Compared with No Project	
PILOT	$14,787,520
Less: Estimated Taxes without Project	($113,484)
Estimated New Tax Revenue (Benefits to Municipalities)	$14,674,036

Proposed PILOT and Tax Comparison (15 Year PILOT)

Benefits to Municipalities				Benefit to Project			
Year	PILOT Payments	Less: Current Tax Revenues (1)	Net New Tax Revenues	Taxes Owed after Project Completion (2)	Less: PILOT Payments	Estimated Savings to Project	Share of Estimated Taxes Owed
1	$513,856	$6,562	$507,294	$1,027,712	$513,856	$513,856	50%
2	$524,133	$6,694	$517,439	$1,058,543	$524,133	$534,410	50%
3	$534,616	$6,827	$527,789	$1,090,300	$534,616	$555,684	49%
4	$654,370	$6,964	$647,406	$1,123,009	$654,370	$468,639	58%
5	$778,700	$7,103	$771,597	$1,156,699	$778,700	$377,999	67%
6	$907,742	$7,245	$900,497	$1,191,400	$907,742	$283,658	76%
7	$1,041,633	$7,390	$1,034,243	$1,227,142	$1,041,633	$185,509	85%
8	$1,062,466	$7,538	$1,054,928	$1,263,956	$1,062,466	$201,490	84%
9	$1,083,715	$7,689	$1,076,026	$1,301,875	$1,083,715	$218,160	83%
10	$1,166,800	$7,843	$1,158,957	$1,340,931	$1,166,800	$174,131	87%
11	$1,252,775	$7,999	$1,244,776	$1,381,159	$1,252,775	$128,384	91%
12	$1,277,831	$8,159	$1,269,672	$1,422,594	$1,277,831	$144,763	90%
13	$1,303,384	$8,323	$1,295,061	$1,465,272	$1,303,384	$161,888	89%
14	$1,329,455	$8,489	$1,320,966	$1,509,230	$1,329,455	$179,775	88%
15	$1,356,044	$8,659	$1,347,385	$1,554,507	$1,356,044	$198,463	87%
Totals	**$14,787,520**	**$113,484**	**$14,674,036**	**$19,114,327**	**$14,787,520**	**$4,326,807**	**77%**

(1) Source: Applicant. Assumes current property tax bill of $6,562.27

(2) Source: Applicant. Assumes property tax bill of $1,027,712

Assumes a 2% annual increase in property taxes

3. OPERATING PERFORMANCE

The Project's operating performance is measured using Year 5 of the Applicant's Pro Forma. Gross revenue escalates at 3% and expenses at 3% per year, while the vacancy rate remains at 5.0% each year. Operating performance and assumptions about vacancy and concessions are within benchmarks.

With the PILOT, real property taxes absorb 9% of project income while debt service absorbs 50% of income. Together, operating expenses, taxes, vacancy, and debt service absorb 84% of project income, leaving a 11% cashflow margin.

Finding: Applicant's assumptions are within industry norms.

Operations Snapshot, Year 5 of Full Operation

	15 Year PILOT				15 Year No PILOT			
	Project Performance (1)	Operating Income	Benchmark Performance (2)	Evaluation	Project Performance (1)	Operating Income	Benchmark Performance (2)	Evaluation
Calculation of Net Operating Income Residential								
Gross Operating Income	$8,636,479	96%	n/a	n/a	$8,636,479	96%	n/a	n/a
Vacancy Rate and Concessions	5%	n/a	6.0%	Within range	5%	n/a	6.0%	Within range
Calculation of Net Operating Income, Non-Residential								
Gross Operating Income	$327,287	4%	n/a	n/a	$327,287	4%	n/a	n/a
Vacancy Rate	5%	n/a	7%	Within range	5%	n/a	7%	Within range
Effective Gross Income (EGI), All Uses (3)	$8,527,510	95%	94%	Within range	$8,527,510	95%	94%	Within range
Less: Operating Expenses and Reserve	($2,223,107)	25%	57%	More efficient	($2,223,107)	25%	57%	More efficient
Less: Real Property Taxes	($778,700)	9%	n/a	n/a	($1,156,699)	13%	n/a	n/a
Net Operating Income	$5,525,703	62%	41%	More efficient	$5,147,704	57%	41%	More efficient
Less: Debt Service	($4,496,104)	50%	n/a	n/a	($4,496,104)	50%	n/a	n/a
Cashflow after Operating Costs, Taxes, Debt	$1,029,599	11%	n/a	n/a	$651,600	7%	n/a	n/a

(1) Source: Applicant

(2) Source: RealtyRates Q2 2026 for Northeast

(3) Net of vacancy and concessions

4. FINANCING PLAN

The Sources and Uses of Funds shows the total project costs and capital structure (debt and equity). The Terms of the Senior (Long Term) Debt are within range of benchmarks.

Sources and Uses of Funds

Sources of Funds	Amount (1)	Share
Bank Financing	$61,500,000	75%
Equity and Working Capital	$20,799,954	25%
Total Sources	$82,299,954	100%
Uses of Funds		
Acquisition and Transaction Costs	$17,366,250	21%
Construction Costs	$64,933,704	79%
Total Uses	$82,299,954	100%

(1) Source: *Applicant*

Terms of the Senior (Long Term) Debt

	Terms (1)	Benchmark (2)	Evaluation
Amount Borrowed	$61,500,000	n/a	n/a
Loan to Total Project Cost	75%	55% - 90%	Within Range
Annual Interest Rate	6.15%	4.67% - 8.93%	Within Range
Maturity in Years	30	15-40	Within Range

(1) Source: *Applicant*

(2) Source: *RealtyRates Q2 2026*

5. RATE OF RETURN

An estimated return on investment is calculated using the Applicant's operating pro forma and capital structure. This analysis measures whether the financial assistance is necessary and reasonable. Financial performance with and without a PILOT is estimated over the full PILOT (15-year) period. Three metrics are used to evaluate outcomes:

- **Equity Dividend Rates** measures the rate of return on invested equity. The average rate is 7.04% with the PILOT and 5.65% without it, both below the benchmark average of 9.50% but within the benchmark range of 4.60% to 13.51%. The minimum rate falls below the benchmark floor in both scenarios (2.84% with the PILOT and 0.37% without it), reflecting variability in annual returns over the period.
- **Cumulative Cash Flow** shows the Applicant's net cash flow over the period studied. Cash flow is positive in both scenarios, totaling $21,950,516 with the PILOT and $17,623,709 without it. With the PILOT, the Project recoups its initial investment by year 15. Without the PILOT, the investment is not recouped within the period studied.
- **Debt Service Coverage** estimates how well the Project's net income supports debt repayment. The average ratio is 1.33 with the PILOT and 1.26 without it, both within the benchmark range of 1.00 to 1.85. Coverage is consistently lower across the period without the PILOT.

Findings: The 15-year PILOT improves equity returns, cash flow, and debt service coverage, and it is the difference between recouping the initial investment and not recouping it within the study period.

Comparison of Return on Investment

	15 Year PILOT	15 Year No PILOT	**Benchmarks (1)**
Equity Dividend Rates			
Average	7.04%	5.65%	4.60% to 13.51% Ave: 9.50%
Minimum	2.84%	0.37%	
Maximum	12.60%	11.64%	
Year Ave Benchmark Met	12	13	
Cash Flow			
Average	$1,463,368	$1,174,914	
Minimum	$591,421	$77,565	
Maximum	$2,620,443	$2,421,980	n/a
Cumulative	$21,950,516	$17,623,709	
Year Investment Recouped	15	NA	
Debt Service Coverage			
Average	1.33	1.26	1.00 to 1.85
Minimum	1.13	1.02	
Maximum	1.58	1.54	
Years Benchmarks Met	1	1	

(1) Source: RealtyRates for Q2 2026 for Northeast Region for Apartments

APPENDIX A: SCOPE OF SERVICES

To assist with its evaluation of the Applicant's request for financial assistance, Camoin was commissioned by ThinkDutchess/Dutchess County Industrial Development Agency to conduct the above analyses. The analysis is comprised of four tasks:

- *Test Assumptions* by comparing rents, operating costs, and vacancy rates to real estate benchmarks for similar projects and noting any significant differences. Operating performance and net income are also evaluated.
- *Review the Financing Plan* and perform an objective third-party evaluation of the estimated return on investment (ROI) to the Applicant with and without a PILOT agreement. We also analyze whether the capital structure and terms of the long-term debt are within market benchmarks for obtaining bank financing.
- *Evaluate the effects of one or more PILOTs* recommended by the Agency and determine whether the PILOT would result in a return that is within what would normally be anticipated in the current market for a similar project.
- *Provide an objective, third-party opinion* about the need for and reasonableness of the financial assistance.

Sources Consulted

- Project financing and annual cashflow workbook submitted by the Applicant, with submitted revisions.
- Real estate tax information and estimates received from the Agency, including the anticipated future assessed value of the Project.
- CoStar
- RealtyRates.com

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APPENDIX B: DEFINITIONS

Equity Dividend Rate: This is calculated as the rate of return on the equity component of a project. It is calculated as follows: (Source: RealtyRates.com)

Equity Dividend / Equity Investment = Equity Dividend Rate, where Equity Dividend = Net Operating Income – Debt Service.

Debt Service Coverage Ratio (DSCR): The ratio of annual debt repayment, including principal and interest, to total Net Operating Income (NOI). (Source: RealtyRates.com)

Net Operating Income (NOI): Income net of all operating costs including vacancy and collection loss but not including debt service. Appraisers also typically expense reserves for repairs and replacements. However, because reserves are not usually reported along with other transaction data, RealtyRates.com tracks lender requirements but does not include them in calculations. (Source: RealtyRates.com)

ABOUT CAMOIN ASSOCIATES

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of $6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 32 states and garnered attention from national media outlets including Marketplace (NPR), Crain's New York Business, Forbes magazine, The New York Times, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. To learn more about our experience and projects in all of our service lines, please visit our website at **www.camoinassociates.com**.

THE PROJECT TEAM

Rachel Selsky
CEO

Hannah Ransom
Analyst

Dutchess County Industrial Development Agency
MRB Cost Benefit Calculator

Cost-Benefit Analysis Tool powered by MRB Group

Date	July 6, 2026
Project Title	Crofton Mews — Elbow Creek, LLC
Project Location	1269 Route 9G, Town of Hyde Park, Dutchess County, NY 12538

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Construction Project Costs

$63,298,704

Temporary (Construction)

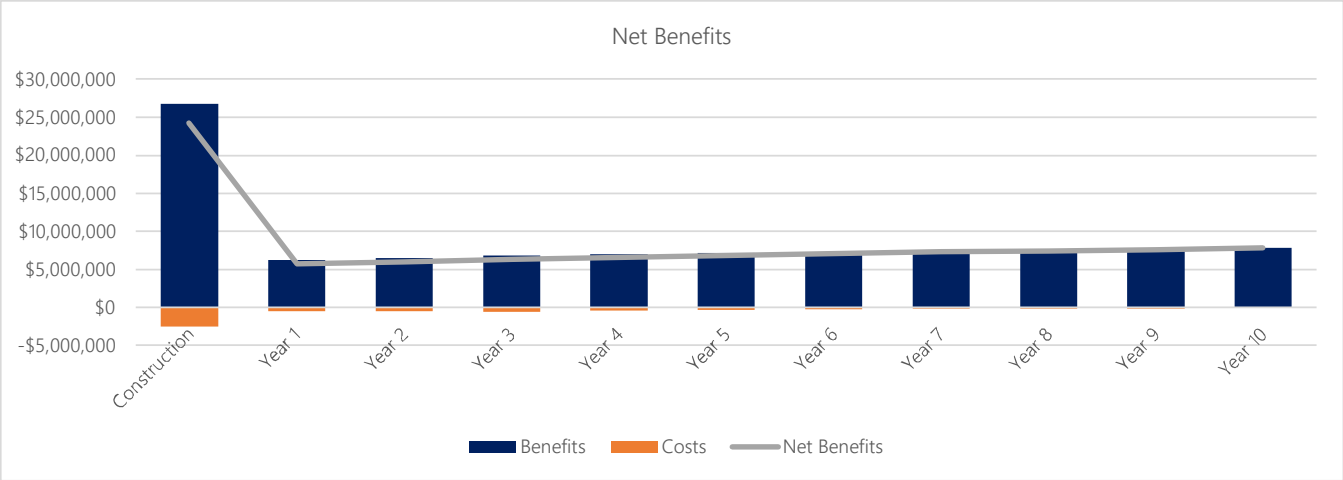
	Direct	Indirect	Total
Jobs	301	90	391
Earnings	$19,499,350	$5,781,857	$25,281,207
Local Spend	$50,638,963	$19,618,010	$70,256,973

Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	76	34	109
Earnings	$44,858,314	$22,961,038	$67,819,352

Figure 1



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

Figure 2

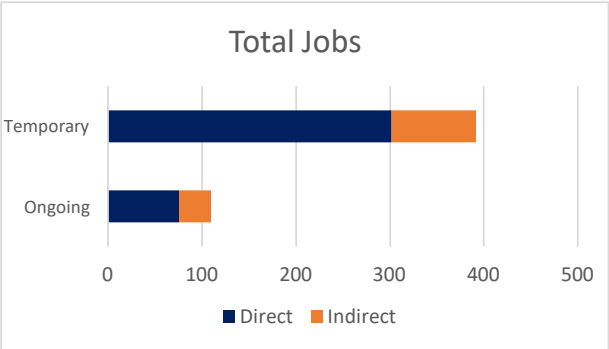
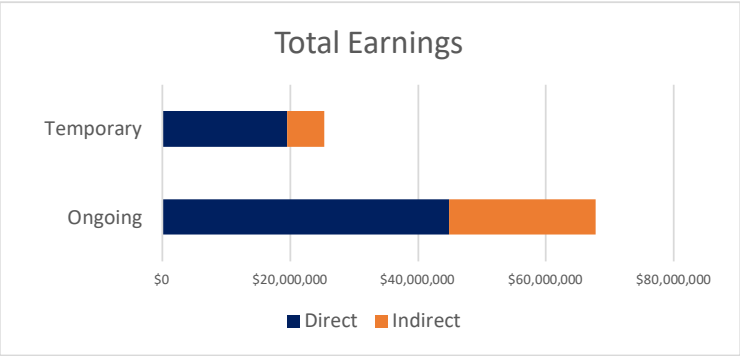


Figure 3



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Ongoing earnings are all earnings over the life of the PILOT.

Fiscal Impacts

MRB Group

Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	$2,937,551	$2,728,632
Sales Tax Exemption	$2,057,208	$2,057,208
Local Sales Tax Exemption	*$995,423*	*$995,423*
State Sales Tax Exemption	*$1,061,785*	*$1,061,785*
Mortgage Recording Tax Exemption	$461,250	$461,250
Local Mortgage Recording Tax Exemption	*$153,750*	*$153,750*
State Mortgage Recording Tax Exemption	*$307,500*	*$307,500*
Total Costs	**$5,456,009**	**$5,247,090**

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	**$101,893,414**	**$93,751,052**
To Private Individuals	$93,100,559	$85,959,700
Temporary Payroll	*$25,281,207*	*$25,281,207*
Ongoing Payroll	*$67,819,352*	*$60,678,493*
Other Payments to Private Individuals	*$0*	*$0*
To the Public	$8,792,855	$7,791,352
Increase in Property Tax Revenue	*$8,243,753*	*$7,282,640*
Temporary Jobs - Sales Tax Revenue	*$165,908*	*$165,908*
Ongoing Jobs - Sales Tax Revenue	*$383,194*	*$342,804*
Other Local Municipal Revenue	*$0*	*$0*
State Benefits	**$4,775,234**	**$4,410,813**
To the Public	$4,775,234	$4,410,813
Temporary Income Tax Revenue	*$1,137,654*	*$1,137,654*
Ongoing Income Tax Revenue	*$3,051,871*	*$2,730,532*
Temporary Jobs - Sales Tax Revenue	*$176,968*	*$176,968*
Ongoing Jobs - Sales Tax Revenue	*$408,740*	*$365,658*
Total Benefits to State & Region	**$106,668,648**	**$98,161,865**

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	$93,751,052	$3,877,805	24:1
State	$4,410,813	$1,369,285	3:1
Grand Total	**$98,161,865**	**$5,247,090**	**19:1**

*Discounted at the public sector discount rate of: 2%

Additional Comments from IDA

Crofton Mews (Elbow Creek, LLC): 249-unit multifamily community with ~3,150 SF childcare/commercial space, Town of Hyde Park. Inputs from signed final application dated 6/26/2026. Hard construction cost $63,298,704 (sum of application hard-cost lines); in-region spending at 80% per DCIDA Local Workforce Policy. Post-completion assessed value not provided by applicant; full-assessment taxes based on applicant pro forma (Exhibit B, $1,027,712 Yr 1) as a disclosed placeholder pending assessor input. 15-yr UTEP PILOT; cumulative abatement per this calculator ~$2.99M (applicant's Exhibit B states ~$2.6M due to an internal inconsistency in its abatement column). Operations jobs modeled under NAICS 531110; childcare tenant jobs excluded per

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

Does this project provide onsite childcare facilities? Yes

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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 our office.

Be aware 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.

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 DCIDA, 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 DCIDA 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, the DCIDA will contact the principals 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 you require further assistance, please feel free to contact our office.

Enclosures

PLEASE TAKE NOTICE — The DCIDA 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.

DC ida

Dutchess County Industrial 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

Th!nk DUTCHESS

DCIDA Board and Staff

OFFICERS

Chairman
Mark Doyle

Vice Chairman / Treasurer
Ronald J. Piccone II

Secretary
Thomas LeCount

Executive Director
Robin D. Mack

Chief Financial Officer
Jane Denbaum

Compliance Officer/
Records Access Officer
Jane Denbaum

BOARD OF DIRECTORS

Mark Doyle
Ronald J. Piccone II
Amy Bombardieri
Thomas LeCount
Brian Berryann
Laine Belmonte
Kristofer Munn

Counsel
Donald Cappillino
Elizabeth Cappillino

COUNTY GOVERNMENT

County Executive
Sue Serino
Dutchess County Office Building
22 Market Street, Sixth Floor
Poughkeepsie, NY 12601
Tel.# (845) 486-2000(B)
Fax # (845) 486-2021
Email: CountyExe@DutchessNY.gov

This e-mail address is being protected from spambots.

Dutchess County Legislature
Yvette Valdés Smith
Dutchess County Office Building
22 Market Street, Sixth Floor
Poughkeepsie, NY 12601
Tel # (914) 474-0908 (B)
Fax # (845) 486-2113
Email: yvaldessmith@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, however in some instances a Long Form EAF may need to be completed. https://thinkdutchess.com/dcida-application/

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/dcida-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 Elbow Creek, LLC	FEIN 82-4370852
Address 241 Hudson Street	Name and Title of Contact Person Lauran O'Neill, Authorized Agent
City County Zip Hackensack, Bergen County, NJ 07601	Telephone Number 201-488-4455
website theoneillgroupllc.com	email loneill@theoneillgroup.us
Full Address of the site/location of the proposed project, including County and Zip Code 1269 Route 9G, Hyde Park, Dutchess County, New York 12538	

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	Lauran O'Neill
Print Name	Lauran O'Neill
Title	Authorized Agent
Date	June _26__, 2026

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: Not Applicable
Title: _____
Address _____
Phone: _____ Fax: _____
Email: _____

B. Company Counsel:

Name of Attorney: Lauran M. O'Neill, Esq.
Firm Name: _____
Address 241 Hudson Street, Hackensack, NJ 07601
Phone: 201-488-4455 Fax: _____
Email: loneill@theoneillgroup.us

C. Form of Business Organization:

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

If you are a corporation or limited liability company, please provide date and state of incorporation:
February 12, 2018 — New York

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

_____

D. Please list Principal Owners/Officers/Directors
(Principal owners that hold more than 15% equity ownership:

Paula O'Neill, an Individual (Manager) (20%), Trust FBO Lauran O'Neill dated June 18, 2015 (20%), Trust FBO of Clara Asumpta O'Neill dated June 18, 2015 (20%), Trust FBO Corey Patrick O'Neill dated June 18, 2015 (20%), Trust FBO of Fina Christina O'Neill dated June 18, 2015 (20%)

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

The Applicant mentions regional affiliates in its "Company History" on Exhibit A. A more robust list is available upon request.

E. Holding Company

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

What is the name of the Real Estate Holding Company: _____

Federal Employer ID Number: _____

State and Year or 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:

_____

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

See Exhibit A.

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

See Exhibit A.

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

H. Does the Company have or had projects that were assisted by DCIDA?

Affiliates have had projects receive sales and mortgage tax abatements ____ 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. __ Yes X No

If yes, please list:

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

Elbow Creek, LLC v. Dutchess County Water and Wastewater Authority, Index No. 2025-52680. This matter is currently the subject of ongoing settlement discussions, and the parties anticipate resolving it in the near term. The Applicant does not believe the litigation will impact its ability to complete the Project.

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.

Not applicable.

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

Please see attached Exhibit B, which has been designated as proprietary and confidential business information.

Section 2: Project Description & Details

A. Industry

Please check off the Project's Industry Sector:

___ Natural Resources / Mining
X Construction
___ Utilities
___ Manufacturing
___ Wholesale / Retail
___ Transportation /Warehousing
___ Information Technology
___ Financial Services
___ Professional / Business Services
___ Education or Healthcare Services
___ Leisure and Hospitality
___ Government
X Other (Please write): New Multifamily Housing Construction + planned childcare facility.

North American Industrial Classifications Number (NAICS) 236116

B. Project Location

Project Address 1269 Route 9G, Hyde Park, New York 12538

Section Block Lot (SBL) Number for Property which proposed Project will be located: 133200-6165-01-340743 and 133200-6165-01-357618

Property Tax Jurisdiction:

Municipal: Town of Hyde Park
School District: Hyde Park Central School District

Are the Real Property Taxes current? X Yes ___ No
If no, please explain ___

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

X Water
___ Gas
X Electric
X Sanitary/Storm Water

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

If no, Present legal owner of site: _____

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

Describe the present use of the proposed Project Site

Vacant land with partial infrastructure in place.

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

___ Acquired X 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 Exhibit A.

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 Exhibit A.

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.

X 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?

See Exhibit 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?

See Exhibit A

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, please see Exhibit A.

Is the project of a speculative nature?

No.

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

Will the Project include leasing any equipment? ___ Yes X No

C. Zoning of Project Site:

Current	Neighborhood Core
Proposed	Special Use Permit and Mitigation Plan granted by the Hyde Park Planning Board

Are any variances needed? If so, please list:

No further variances required.

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

The approximate acreage of the land to be purchased or leased:
55.54 acres (project site); 87.74 acres owned/controlled.

The approximate square footage of the existing building to be purchased or space to be expanded/renovated is:
N/A (new construction).

The approximate square footage of the planned *new* construction is:
~307,468 SF residential plus ~3,150 SF commercial

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 X No

If yes, please list: Site adjoins the Hogback Hill CEA (Town of Hyde Park, designated 6/7/2009); impacts addressed through the approved Mitigation Plan and NYSDEC permits.

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

If yes, please explain Complete. Findings Statement adopted February 21, 2024. Lead Agency: Hyde Park Planning Board. The DCIDA may rely on the completed SEQRA review.

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)	$ 7,440,000
2. New Construction	$ 52,798,704
3. Reconstruction/Renovation/Expansion	-
4. Infrastructure Work	$ 10,500,000
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)	$ 9,926,250
7. Professional Services (Architect, Legal Fees[1], Engineering fees)	$ 1,385,000
8. Other Taxable (please specify)	$ 250,000
9. Other (please specify)	$
Estimated Total Project Cost	$ 82,299,954

Uses (Financing, Legal, Miscellaneous)

	Estimated Fees
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	$ 20,799,954
Amount of other conventional financing	$ 61,500,000
Amount financed by bond issue	$
Public Sources (Include sum total of all state and federal grants and tax credits)*	$
Total Sources of Funds for Project Cost	$ 82,299,954

*Identify each state and federal grant/credit

Applicant will be submitting an application through CFA (ESDREDC	$
Grant)	$
	$

F. Project Construction Schedule

What is the proposed date for commencement of acquisition or construction of the Project?
September 2026

Please indicate the actual or expected dates of :

Construction completion: September 2029

Occupancy: September 2028 (targeted start of rolling occupancy)

Will the company be occupying 100% of the completed facility? ___ Yes X No
If no, will there be tenants in the remaining space? X 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.

The Applicant holds fee title and has obtained all major entitlements and permits. No construction contract has been executed pending the DCIDA Letter of Authorization for Sales Tax Exemption.

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)

___ Complete Application

x Meets NYS/DCIDA Requirements

X SEQRA / Planning Approval
Approval Date: (2/21/2024; 11/6/2024)

X Meets Project Use Definition

X "But For" Requirement

X Will Directly Retain or Create Jobs

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.

Revitalization

Target Geography

___ Distressed Census Tract/Area
___ High Vacancy Census Tract
___ Transit Oriented Development
___ BID
___ Neighborhood Plan

Identified Priority

___ Tax Exempt
X Vacant
___ Adaptive Re-use
___ Community Catalyst

Identified Growth Area

___ Manufacturing / Distribution
___ Technology
___ Existing Cluster

Investment

Financial Commitment

___ 3 – 10 million
___ 10.1 – 17.5 million
___ 17.6 – 25 million
X >25 million

Community Commitment

___ MWBE/DBE Participation
___ Veteran Participation
___ Workforce /Affordable Housing
X Local Workforce
___ Apprenticeship Program
X Public Infrastructure

Environmental Factors

X Resource Conservation
X Energy Efficiency
X Green Technology
___ Alternative / Renewable Energy

Employment

Permanent Jobs

X 3-40
___ 21-80
___ 81-120
___ 121-180
___ > 180

Retained Jobs

___ 3-40
___ 21-80
___ 81-120
___ 121-180
___ > 180

Construction Jobs

___ 6-80
X 81-160
___ 161-240
___ >240

C. Project Benefits

Financial Assistance Provided

1. Estimated Sales Tax Exemption^

$ 25,319,482	X	.08125	=	$ 2,057,208
Amount of Project Cost Subject to Tax		Sales Tax Rate		Total

2. Estimated Mortgage Recording Tax Exemption

$ 61,500,000	X	.0075	=	$ 461,250
Projected Amount of Mortgage		Mortgage Recording Tax		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: $319,000

Current Assessed Value: $102,100

Current Property Taxes $6,562.27

Estimated Property Value after project completion _____

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

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

Estimated tax abatement resulting from this project $ _____
(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.

D. Employment

A. Benefits = Economic Development Impacts (For Project Location Only)

By statute, the DCIDA must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. The DCIDA will use job projections upon the two (2) year time period following Project completion.

a. Employment should be quantified by "FTE", which shall mean: (a) a full-time, permanent, private-sector employee on the project's payroll, who has worked (or is projected to work) at the project facility for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties;

b. or (b) two part-time, permanent, private-sector employees on the Applicant's payroll, who have worked (or are projected to work) at the project facility for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties

Employment by category at Project Location only

Job Category	Current Number of FTE's	Number of FTE's Retained	Average Salary or Range of Salary	Number of FTE's to be created upon 2 years	Average Salary or Range of Salary
Owner/Executive	0	0	-	0	-
Professional	0	0	-	0	
Management	0	0	-	2	$75,000–$95,000
Administrative	0	0	-	2	$45,000–$60,000
Production	0	0	-	0	-
Other	0	0	-	2	$35,000–$70,000
Total*	0	0	-	6	

Are employees currently covered by a collective bargaining agreement?
If yes, Name and Local?
No

Are employees provided retirement benefits? X Yes __ No

Are employees provided health benefits? X Yes __ No

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

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.

13

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

See Exhibit A.

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? 90–110

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? 1 % 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 X 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 X No

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

___ Yes X 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.

_____

_____

_____

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:
See Exhibit A

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)
TBD		3,150	1%	624410

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:

_____

_____

_____

_____

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	Lauran O'Neill
Print Name	Lauran O'Neill
Title	Authorized Agent
Date	June 26, 2026

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	Lauran O'Neill
Print Name	Lauran O'Neill
Title	Authorized Agent
Date	June 26, 2026

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):

Principal Amount of Bonds	Percentage Fees
$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 20,000000	.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 if 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.

Name of Company

Elbow Creek, LLC

Name: Lauran O'Neill

Lauran O'Neill

Title Authorized Agent

Attachment 1 - Short Environmental Assessment Form

Please complete a Short Form Environmental Assessment Form (https://www.thinkdutchess.com/clientuploads/IDA/seafpartsoneandtwo.pdf) . 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 agency," and any action by the DCIDA must await completion of the SEQRA review by the other agency. 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.

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.

FINAL AUTHORIZING RESOLUTION
(Locust Grove Apartments 2026 Project)

At a regular meeting of the Dutchess County Industrial Development Agency (the "Agency") convened in public session on August 26, 2026 at 8:00 a.m., local time at Three Neptune Road, Poughkeepsie, New York, the following members of the Agency were:

PRESENT: Mark Doyle, Chairman
Ronald J. Piccone, II, Vice Chairman/Treasurer
Thomas J. LeCount, Secretary
Brian C. Berryann
Kristofer Munn

ABSENT: Amy L. Bombardieri

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

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to, or a leasehold interest in, a certain industrial development facility (Locust Grove Apartments 2026 Project) and the leasing of the facility as more particularly described below:

RESOLUTION OF THE DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, RECONSTRUCTION, REPAIR, RENOVATION, INSTALLATION, FURNISHING AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR MID HUDSON DEVELOPMENT CORP. AND LOCUST GROVE APARTMENTS LLC AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

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

WHEREAS, MID HUDSON DEVELOPMENT CORP., a New York corporation and LOCUST GROVE APARTMENTS LLC, a New York limited liability company, each having an address of P.O. Box 636, Fishkill, New York 12524, have 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), to Locust Grove Apartments LLC (the "**Company**") as the fee owner and operator of the Facility (hereinafter defined) and Mid Hudson

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Development Corp., an affiliated entity under common ownership and control, serving as the construction entity for 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 acquisition, construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of a certain multifamily residential facility (the "**Facility**") consisting of the following:

(A) the construction of an approximately 43,424 square foot multifamily residential community consisting of approximately 32 dwelling units in four (4) two-story residential buildings, along with site-wide infrastructure improvements (collectively, the "**Improvements**") located on an approximately 2.46-acre parcel of land located at 2736-2738 South Road, Town of Poughkeepsie, County of Dutchess, State of New York, bearing Tax Map Grid No. 134689-6161-03-078100-0000 (the "**Land**"); and

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

WHEREAS, the 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 by resolution duly adopted on August 12, 2026 (the "**Preliminary Resolution**"), decided to proceed under the provisions of the Act; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of August 1, 2026, or such other date as the Chairman or the Executive Director of the Agency and counsel to the Agency shall agree (the "**Company Lease**"), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the "**Bill of Sale**"), from the Company to the Agency; and

WHEREAS, the Agency will sublease and lease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of August 1, 2026 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the "**Lease Agreement**"), by and between the Agency and the Company; and

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WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of (i) exemptions from sales and use taxes in an amount not to exceed $442,567.13 in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility; and (ii) exemptions from mortgage recording taxes for one or more mortgages securing an amount not to exceed $10,000,000.00 in connection with the Project Work; 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 Project is an "Unlisted" action that was the subject of a coordinated review under SEQRA, with the Town of Poughkeepsie Planning Board (the "**Planning Board**") having served as lead agency; and

WHEREAS, on June 20, 2024, the Planning Board, as lead agency, adopted a Negative Declaration and Determination of Non-Significance (the "**Negative Declaration**") determining that the Project will not have a significant adverse impact on the environment and that no environmental impact statement is required, for the reasons stated therein; and

WHEREAS, on December 18, 2025, in connection with its review of the amended site plan for the Project, the Planning Board determined that the modifications to the Project are not anticipated to create any new adverse environmental effects and reaffirmed the Negative Declaration; and

WHEREAS, the Agency hereby adopts the reasoning set forth in the Negative Declaration and hereby determines that the Project will not have a "significant impact" or "significant effect" on the environment as defined under SEQRA; and

WHEREAS, in compliance with §859-a of the Act, the Agency on August 25, 2026, held a public hearing on the grant of financial assistance as set forth herein following publication in the *Poughkeepsie Journal* on August 13, 2026 of a notice of the public hearing; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company.

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

Section 1. The Agency hereby finds and determines:

(a) As set forth in the Planning Board's Negative Declaration, the Project will not have a "significant adverse impact" or "significant adverse effect" on the environment as defined under SEQRA and the Agency hereby adopts the reasoning and findings set forth in the Negative Declaration.

Section 2. The Agency further hereby finds and determines:

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

(b) The Facility constitutes a "project", as such term is defined in the Act; and

(c) The public hearing held by the Agency on August 25, 2026, concerning the grant of Financial Assistance as set forth herein and the nature and location of the Facility was duly held in accordance with the laws of the State of New York, including but not limited to the giving of public notice of the meeting a reasonable time before the meeting and affording a reasonable opportunity for persons with differing views to be heard on Agency's providing the financial assistance contemplated herein and the location and nature of the Facility; and

(d) The Project Work and the leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Dutchess County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(e) The Project will serve the Agency's public purposes as set forth in the Act by preserving or increasing the number of permanent, private sector jobs in Dutchess County and the State of New York.

(f) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of Dutchess County and all regional and local land use plans for the area in which the Facility is located; and

(g) It is desirable and in the public interest for the Agency to approve the requested Financial Assistance for this Project; and

(h) The Company Lease will be an effective instrument whereby the Agency leases the Land and Improvements from the Company; and

(i) The Lease Agreement will be an effective instrument whereby: (1) the Agency leases and subleases the Facility to the Company; (2) the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws; and (3) the Agency and the Company set forth the circumstances in which the Agency may recapture some or all of the benefits granted to the Company in the event any enumerated Recapture Event (as defined therein) occurs.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sublease and lease the Facility to the Company pursuant to the Lease Agreement, and (iv) execute, deliver and perform the Lease Agreement.

Section 4. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement, and

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to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 5. The form and substance of the Company Lease and the Lease Agreement, (each in substantially the forms presented to the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 6. Recapture Provisions. The Agency has retained certain recapture rights under the terms and conditions of the Lease Agreement upon the occurrence of a Recapture Event as defined therein. Section 5.4 of the Lease Agreement relating to recapture rights by the Agency against the Company is attached hereto and made a part hereof as Exhibit A.

Section 7. Based upon the representation and warranties made by the Company in the Application, the Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the Project Work in the form of: (i) exemptions from sales and use taxes in an approximate amount not to exceed $442,567.13 in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility; and (ii) exemptions from mortgage recording taxes for one or more mortgages securing an amount not to exceed $10,000,000.00, in connection with the financing of the acquisition, construction, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing, renovating and equipping of the Facility. The Agency agrees to consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 8. Subject to (i) execution of the Agency Documents by the Company and (ii) the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Facility satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the Project Work and appoints the Company as the true and lawful agent of the Agency.

Section 9.

(a) The Chairman, Vice Chairman, any member of the Agency, the Executive Director and the Chief Financial Officer are each hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease and the Lease Agreement, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, any member of the Agency, the Executive Director or the Chief Financial Officer shall approve, and such other related documents as may be, in the judgment of the Executive Director or the Chief Financial Officer and Agency Counsel necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Vice Chairman, any member of the Agency, the Executive Director or the Chief Financial Officer of the Agency shall constitute conclusive evidence of such approval.

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(b) The Chairman, Vice Chairman, any member of the Agency, the Executive Director and the Chief Financial Officer of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement). 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 transaction.

Section 10. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 11. This resolution shall take effect immediately.

This resolution was duly moved by [ ] seconded by [ ], discussed and adopted with the following members voting:

Mark Doyle, Chairman	VOTING	
Ronald J. Piccone, II, Vice Chairman/Treasurer	VOTING	
Thomas J. LeCount, Secretary	VOTING	
Amy L. Bombardieri	being	ABSENT
Brian C. Berryann	VOTING	
Kristofer Munn	VOTING	

The Resolution was thereupon declared duly adopted.

Adopted: August 26, 2026

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EXHIBIT A

EXCERPT FROM LEASE AGREEMENT

Section 5.4 Recapture of Agency Benefits.

(a) It is understood and agreed by the parties hereto that the Agency is entering into this Lease Agreement in order to provide financial assistance to the Company for the Facility and to accomplish the public purposes of the Act. In consideration therefor, the Company hereby agrees that if there shall occur a Recapture Event during the Lease Term, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, one hundred percent (100%) of the Recaptured Benefits (as defined below).

(b) The term "**Recaptured Benefits**" shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency's participation in the transaction contemplated by the Lease Agreement including, but not limited to, the amount equal to 100% of:

(i) the Mortgage Recording Tax Exemption; and

(ii) Sales Tax Exemption savings realized by or for the benefit of the Company, including any savings realized by any Agent pursuant to the Lease Agreement and each Sales Tax Agent Authorization Letter issued in connection with the Facility (the "**Company Sales Tax Savings**");

which Recaptured Benefits from time to time shall upon the occurrence of a Recapture Event in accordance with the provisions of subsection (c) below and the declaration of a Recapture Event by notice from the Agency to the Company be payable directly to the Agency or the State of New York if so directed by the Agency within thirty (30) days after such notice.

(c) The term "**Recapture Event**" shall mean any of the following events:

(1) The occurrence and continuation of an Event of Default under this Lease Agreement (other than as described in clause (4) below or in subsection (d) below) which remains uncured beyond any applicable notice and/or grace period, if any, provided hereunder; or

(2) The Facility shall cease to be a "project" within the meaning of the Act, as in effect on the Closing Date, through the act or omission of the Company; or

(3) The sale of the Facility or closure of the Facility and/or departure of the Company from Dutchess County, except as due to casualty, condemnation or force majeure as provided in subsection (e) below or as provided in Section 9.3 hereof; or

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(4) Failure of the Company to create or cause to be maintained at least ninety percent (90%) of the number of FTE jobs at the Facility as provided in Section 8.11 of this Lease Agreement, which failure is not reflective of the business conditions of the Company or the subtenants of the Company, including without limitation loss of major sales, revenues, distribution or other adverse business developments and/or local, national or international economic conditions, trade issues or industry wide conditions; or

(5) Any significant deviations from the Project Application Information which would constitute a significant diminution of the Company's activities in, or commitment to Dutchess County, New York; or

(6) The Company receives Sales Tax Savings in connection with the Project Work in excess of the Maximum Company Sales Tax Savings Amount; provided, however, that the foregoing shall constitute a Recapture Event with respect to such excess Sales Tax Savings only. It is further provided that failure to repay the Sales Tax Savings within thirty (30) days shall constitute a Recapture Event with respect to all Recapture Benefits.

(d) Furthermore, notwithstanding the foregoing, a Recapture Event shall not be deemed to have occurred if the Recapture Event shall have arisen as a result of (i) a "force majeure" event (as more particularly defined in Section 10.1(b) hereof), (ii) a taking or condemnation by governmental authority of all or part of the Facility, or (iii) the inability or failure of the Company after the Facility shall have been destroyed or damaged in whole or in part (such occurrence a "**Loss Event**") to rebuild, repair, restore or replace the Facility to substantially its condition prior to such Loss Event, which inability or failure shall have arisen in good faith on the part of the Company or any of its affiliates so long as the Company or any of its affiliates have diligently and in good faith using commercially reasonable efforts pursued the rebuilding, repair, restoration or replacement of the Facility or part thereof.

(e) The Company covenants and agrees to furnish the Agency with written notification (i) within sixty (60) days of the end of each Tax Year of the number of FTEs located at the Facility for such Tax Year, and (ii) within thirty (30) days of actual notice of any facts or circumstances which would likely lead to a Recapture Event or constitute a Recapture Event hereunder. The Agency shall notify the Company of the occurrence of a Recapture Event hereunder, which notification shall set forth the terms of such Recapture Event.

(f) In the event any payment owing by the Company under this Section shall not be paid on demand by the Agency, such payment shall bear interest from the date of such demand at a rate equal to one percent (1%) plus the Prime Rate, but in no event at a rate higher than the maximum lawful prevailing rate, until the Company shall have made such payment in full, together with such accrued interest to the date of payment, to the Agency (except as otherwise specified above).

(g) The Agency shall be entitled to deduct all reasonable out of pocket expenses of the Agency, including without limitation, reasonable legal fees, incurred in connection with the

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recovery of all amounts due under this Section 5.4, from amounts received by the Agency pursuant to this Section 5.4.

(h) Notwithstanding the foregoing, the Board of Directors of the Agency may waive the provisions of this Section in its sole discretion based upon its review of the circumstances of the Company.

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LOCUST GROVE APARTMENTS LLC

and

DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

(DUTCHESS COUNTY, NEW YORK)

COMPANY LEASE AGREEMENT

Dated as of August 1, 2026

Dutchess County Industrial Development Agency
(Locust Grove Apartments 2026 Facility)

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THIS COMPANY LEASE AGREEMENT, dated as of August 1, 2026 (the "**Company Lease**"), is by and between LOCUST GROVE APARTMENTS LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having an address of P.O. Box 636, Fishkill, New York 12524 (the "**Company**"), and the DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, having its office at 3 Neptune Road, Poughkeepsie, New York 12601 (the "**Agency**").

R E C I T A L S

WHEREAS, Title 1 of Article 18-A of the General Municipal Law of the State of New York was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York; and

WHEREAS, the aforesaid act authorizes the creation of industrial development agencies for the Public Purposes of the State of New York (the "**State**"); and

WHEREAS, pursuant to and in accordance with the provisions of the aforesaid act, as amended, and Chapter 335 of the Laws of 1977 of the State, as amended (collectively, the "**Act**"), the Agency was created and is empowered under the act to undertake the Project Work (as such term is defined in the hereinafter defined Lease Agreement) and the leasing of the Facility defined below; and

WHEREAS, the Agency has agreed to assist in (a) the acquisition of an approximately 2.46-acre parcel of land located at 2736-2738 South Road, Town of Poughkeepsie, County of Dutchess, State of New York, bearing Tax Map Grid No. 134689-6161-03-078100-0000, as more particularly described in Exhibit A attached hereto (the "**Land**"), and the construction of an approximately 43,424 square foot multifamily residential community consisting of approximately 32 dwelling units in four (4) two-story residential buildings, along with site-wide infrastructure improvements (collectively, the "**Improvements**"), and (b) the acquisition and installation of certain equipment and personal property (the "**Equipment**", and together with the Land and the Improvements, the "**Facility**"), which Facility is to be leased by the Agency to the Company for use as a multifamily residential rental facility (the "**Project**"); and

WHEREAS, the Company has agreed with the Agency, on behalf of the Agency and as the Agency's agent, to complete the Project Work; and

WHEREAS, the Company has agreed to lease the Land and the Improvements to the Agency pursuant to the terms of this Company Lease Agreement; and

WHEREAS, the Agency has agreed to lease and sublease the Facility to the Company, pursuant to a certain Lease and Project Agreement, dated as of August 1, 2026 (the "**Lease Agreement**"), by and between the Agency, as sublessor and lessor, and the Company, as sublessee and lessee; and

WHEREAS, the Company has agreed to transfer to the Agency title to the Equipment pursuant to a Bill of Sale, dated the Closing Date (the "**Bill of Sale**"); and

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NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties mutually agree as follows:

The Company hereby leases the Land (described in Exhibit A attached hereto) and the Improvements to the Agency for the annual rent of $1.00 for a term commencing on the Closing Date and terminating at 11:59 p.m. on December 31, 2030 (the "**Lease Term**").

This Company Lease shall terminate on the earliest of (i) the expiration of the Lease Term and (ii) the termination of the Lease Agreement pursuant to Article X or Article XI thereof.

The Company agrees to keep, perform and observe, from and after the date hereof, all of the terms, covenants, conditions, obligations and other provisions contained in the Lease Agreement. The Company agrees further that it shall indemnify, defend and hold harmless the Agency from and against all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings and attorneys' fees arising out of or in connection with the Lease Agreement or this Company Lease and shall defend the Agency in any suit, action or proceeding, including appeals, for personal injury to, or death of, any person or persons, or for any loss of or damage to property of persons, or for other claims arising out of the acts or omissions of the Company or any of its officers, directors, agents or employees. The foregoing indemnitees shall include all expenses incurred by the Agency, including, without limitation, reasonable attorneys' fees to enforce this Company Lease, the Lease Agreement or any other document to which the Company and the Agency are parties, and with respect to third party claims.

The Agency, for itself and its successors and assigns, hereby agrees to lease the Land and the Improvements from the Company on the terms and conditions contained herein.

The Company and the Agency acknowledge that the Agency will lease and sublease the Facility to the Company pursuant to the Lease Agreement. The Company and the Agency agree that while this Company Lease and the Lease Agreement remain in full force and effect, (i) there shall be no merger of the Company's fee simple absolute estate in the Land and the Improvements and the Company's subleasehold estate in the Land and Improvements created under the Lease Agreement; and (ii) the Agency shall continue to have, use and enjoy the leasehold estate in the Land and the Improvements created under this Company Lease.

The Company and the Agency acknowledge that in order to accomplish certain financing arrangements for the Facility, the parties may be required to assign and mortgage, for collateral purposes, each of their respective rights, titles and interests held pursuant to this Company Lease, the Lease Agreement and other interests that either may hold. Each of the Company and the Agency hereby consents to all such assignments, mortgages and other collateral financing requirements that may arise in connection with the financing or refinancing of the Facility.

This Company Lease and any and all modifications, amendments, renewals and extensions thereof is subject and subordinate to any Mortgage which may be granted by the Agency and the Company on the Facility or any portion thereof and to any and all modifications, amendments, consolidations, extensions, renewals, replacements and increases thereof.

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This Company Lease shall not be recorded by either party hereto. The Agency shall cause a memorandum of lease with respect hereto to be recorded in the office of the Dutchess County Clerk.

All notices, certificates and other communications hereunder shall be in writing and shall be either delivered personally or sent by certified mail, return receipt requested, or delivered by any national overnight express delivery service (in each case, postage or delivery charges paid by the party giving such communication) addressed as follows or to such other address as any party may specify in writing to the other:

To the Agency:

Dutchess County Industrial Development Agency
3 Neptune Road
Poughkeepsie, New York 12601
Attention: Executive Director

With a copy to:

Cappillino, Rothschild & Egan LLP
Seven Broad Street
P.O. Box 390
Pawling, New York 12564-0390
Attention: Elizabeth A. Cappillino, Esq.

To the Company:

Locust Grove Apartments LLC
P.O. Box 636
Fishkill, New York 12524
Attention: John Goetz

With a copy to:

Stenger, Glass, Hagstrom, Lindars & Iuele, LLP
1136 Route 9, Suite 2
Wappingers Falls, New York 12590
Attention: Kenneth M. Stenger, Esq.

Notice by mail shall be effective when delivered but if not yet delivered shall be deemed effective at 12:00 p.m. on the third Business Day after mailing with respect to certified mail and one Business Day after mailing with respect to overnight mail.

Copies of all notices given either to the Agency or to the Company shall also be sent to any Lender, if such Lender shall have delivered written instructions to the Agency and the Company with the address of such Lender.

If a party hereto determines in its reasonable discretion that any further instruments or other actions are necessary or desirable to carry out the terms of this Company Lease, the other party

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shall, at the Company's sole cost and expense, execute and deliver all such instruments and take all such actions.

Capitalized terms used in this Company Lease and not otherwise defined in this Company Lease shall have the meanings assigned thereto in Schedule A to the Lease Agreement.

This Company Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

This Company Lease may not be amended, changed, modified or altered except in writing executed by the parties hereto.

This Company Lease shall be governed exclusively by the applicable laws of the State of New York, without regard or reference to its conflict of laws principles.

This Company Lease and the conveyance made hereby shall be subject to the trust fund provisions of Section 13 of the Lien Law of the State.

(Remainder of Page Intentionally Left Blank – Signature Pages Follow)

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IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year first above written.

LOCUST GROVE APARTMENTS LLC,
a New York limited liability company

By:_____
Name: John Goetz
Title: Authorized Signatory

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

On the ___ day of August in the year 2026, before me, the undersigned, personally appeared **JOHN GOETZ** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person or entity on behalf of which the individual acted, executed the instrument.

_____
Notary Public

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DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: _____
Name: Robin D. Mack
Title: Executive Director

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

On the ___ day of August in the year 2026, before me, the undersigned, personally appeared **ROBIN D. MACK**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person or entity on behalf of which the individual acted, executed the instrument.

_____
Notary Public

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EXHIBIT A

Legal Description of Real Property

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Transcript Document No. 2

DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

(DUTCHESS COUNTY, NEW YORK)

and

LOCUST GROVE APARTMENTS LLC

LEASE AND PROJECT AGREEMENT

Dated as of August 1, 2026

Dutchess County Industrial Development Agency
(Locust Grove Apartments 2026 Facility)

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TABLE OF CONTENTS

Page No.

ARTICLE I DEFINITIONS 2

ARTICLE II REPRESENTATIONS AND COVENANTS 2

Section 2.1 Representations and Covenants of Agency 2
Section 2.2 Representations and Covenants of Company 3

ARTICLE III CONVEYANCE OF FACILITY SITE; PROJECT WORK AND COMPLETION 5

Section 3.1 Agreement to Convey to Agency 5
Section 3.2 Title Report and Survey 5
Section 3.3 Public Authorities Law Representations 5
Section 3.4 Project Work 5
Section 3.5 Identification of Equipment 6
Section 3.6 Certificates of Completion 6
Section 3.7 Remedies to Be Pursued Against Contractors, Subcontractors, Materialmen and Their Sureties 6

ARTICLE IV LEASE OF FACILITY RENTAL PROVISIONS 7

Section 4.1 Lease of Facility 7
Section 4.2 Duration of Lease Term; Quiet Enjoyment 7
Section 4.3 Rents and Other Amounts Payable 7
Section 4.4 Obligations of Company Hereunder Unconditional 8
Section 4.5 No Warranty of Condition or Suitability by Agency 8

ARTICLE V SALES TAX EXEMPTION; MORTGAGE RECORDING TAX EXEMPTION AND RECAPTURE OF BENEFITS 8

Section 5.1 PILOT Payments 8
Section 5.2 Sales Tax Exemption 8
Section 5.3 Mortgage Recording Tax Exemption 13
Section 5.4 Recapture of Agency Benefits 13

ARTICLE VI MAINTENANCE, MODIFICATIONS, TAXES AND INSURANCE 15

Section 6.1 Maintenance and Modifications of Facility by Company 15
Section 6.2 Installation of Additional Equipment 16
Section 6.3 Taxes, Assessments and Utility Charges 16
Section 6.4 Insurance Required 17
Section 6.5 Additional Provisions Respecting Insurance 18
Section 6.6 Application of Net Proceeds of Insurance 19
Section 6.7 Right of Agency to Pay Taxes, Insurance Premiums and Other Charges 19

ARTICLE VII DAMAGE, DESTRUCTION AND CONDEMNATION 20

Section 7.1 Damage or Destruction of the Facility 20
Section 7.2 Condemnation 21

DRAFT

Section 7.3 Condemnation of Company-Owned Property 23
Section 7.4 Waiver of Real Property Law Section 227 23

ARTICLE VIII SPECIAL COVENANTS 23

Section 8.1 Right to Inspect Facility 23
Section 8.2 Hold Harmless Provisions 23
Section 8.3 Company to Maintain Its Existence 25
Section 8.4 Qualification in State 25
Section 8.5 Agreement to File Annual Statements and Provide Information 25
Section 8.6 Books of Record and Account; Financial Statements 26
Section 8.7 Compliance with Orders, Ordinances, Etc 26
Section 8.8 Discharge of Liens and Encumbrances 26
Section 8.9 Depreciation Deductions and Investment Tax Credit 27
Section 8.10 Employment Opportunities; Notice of Jobs 27
Section 8.11 Employment at the Facility 27
Section 8.12 Annual Compliance Certificate 27
Section 8.13 Compliance with Labor Law Section 224-a 28

ARTICLE IX RELEASE OF CERTAIN LAND; ASSIGNMENTS AND SUBLEASING 28

Section 9.1 Restriction on Sale of Facility; Release of Certain Land 28
Section 9.2 Removal of Equipment 28
Section 9.3 Assignment and Subleasing 29
Section 9.4 Merger of Agency 30

ARTICLE X EVENTS OF DEFAULT AND REMEDIES 30

Section 10.1 Events of Default Defined 30
Section 10.2 Remedies on Default 32
Section 10.3 Remedies Cumulative 33
Section 10.4 Agreement to Pay Attorneys' Fees and Expenses 33
Section 10.5 No Additional Waiver Implied by One Waiver 33

ARTICLE XI EARLY TERMINATION OF LEASE AGREEMENT OPTION IN FAVOR OF COMPANY 33

Section 11.1 Early Termination of Lease Agreement 33
Section 11.2 Conditions to Termination of Lease Agreement 33
Section 11.3 Conveyance on Termination 34

ARTICLE XII LENDER PROVISIONS 34

Section 12.1 Subordination of Lease Agreement 34
Section 12.2 Mortgage and Pledge of Agency's Interests to Lender 34
Section 12.3 Pledge of Company's Interest to Lender 35
Section 12.4 Making of Loans; Disbursement of Loan Proceeds 35
Section 12.5 References to Lender, Loan or Mortgage 35

ARTICLE XIII ENVIRONMENTAL MATTERS 35

Section 13.1 Environmental Representations of the Company 35
Section 13.1 Environmental Covenants of the Company 36

DRAFT

Section 13.3 Survival Provision 39

ARTICLE XIV MISCELLANEOUS 39

Section 14.1 Notices 39
Section 14.2 Binding Effect 40
Section 14.3 Severability 40
Section 14.4 Amendments, Changes and Modifications 40
Section 14.5 Execution of Counterparts 40
Section 14.6 Applicable Law 40
Section 14.7 List of Additional Equipment; Further Assurances 40
Section 14.8 Survival of Obligations 40
Section 14.9 Table of Contents and Section Headings Not Controlling 40
Section 14.10 Waiver of Trial by Jury 40

EXHIBIT A Legal Description of Real Property
EXHIBIT B Equipment
EXHIBIT C Reserved.
EXHIBIT D Mortgage Requirements
EXHIBIT E Sales Tax Agent Authorization Letter
EXHIBIT F Sales Tax Registry
EXHIBIT G Reserved.
EXHIBIT H Exceptions to Representations and Warranties of Company
EXHIBIT I Form Tenant Agency Compliance Agreement
EXHIBIT J Completion Certificate
EXHIBIT K Annual Compliance Certificate
EXHIBIT L Local Workforce Utilization Policy
SCHEDULE A Schedule of Definitions

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THIS LEASE AND PROJECT AGREEMENT, dated as of August 1, 2026 (this "**Lease Agreement**"), is between the DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, having its office at 3 Neptune Road, Poughkeepsie, New York 12601 (the "**Agency**"), and LOCUST GROVE APARTMENTS LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having an address of P.O. Box 636, Fishkill, New York 12524 (the "**Company**").

R E C I T A L S

WHEREAS, Title 1 of Article 18-A of the General Municipal Law of the State of New York was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York (the "**State**"); and

WHEREAS, the aforesaid act authorizes the creation of industrial development agencies for the Public Purposes of the State; and

WHEREAS, the aforesaid act further authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and empowers such agencies, among other things, to acquire, construct, reconstruct, renovate, refurbish, equip, lease, sell and dispose of land and any building or other improvement, and all real and personal property, including but not limited to machinery and equipment deemed necessary in connection therewith, whether now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, recreation or industrial facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, pursuant to and in accordance with the provisions of the aforesaid act, as amended, and Chapter 335 of the Laws of 1977 of the State, as amended (collectively, the "**Act**"), the Agency was created and is empowered under the act to undertake the Project Work (as such term is defined herein) and the leasing of the Facility defined below; and

WHEREAS, the Project shall consist of (a) the acquisition of an approximately 2.46-acre parcel of land located at 2736-2738 South Road, Town of Poughkeepsie, County of Dutchess, State of New York, bearing Tax Map Grid No. 134689-6161-03-078100-0000, as more particularly described in Exhibit A attached hereto (the "**Land**"), and the construction of an approximately 43,424 square foot multifamily residential community consisting of approximately 32 dwelling units in four (4) two-story residential buildings, along with site-wide infrastructure improvements (collectively, the "**Improvements**"), and (b) the acquisition and installation of certain equipment and personal property (the "**Equipment**", and together with the Land and the Improvements, the "**Facility**"), which Facility is to be leased by the Agency to the Company for use as a multifamily residential rental facility (the "**Project**"); and

WHEREAS, the Company has agreed with the Agency, on behalf of the Agency and as the Agency's agent, to complete the Project Work; and

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WHEREAS, the Company has agreed to lease the Land and the Improvements to the Agency pursuant to the terms of a certain Company Lease Agreement, dated as of August 1, 2026 (the "**Company Lease**"), by and between the Company and the Agency; and

WHEREAS, the Company has agreed to transfer title to the Equipment to the Agency pursuant to a certain Bill of Sale, dated the Closing Date (the "**Bill of Sale**"); and

WHEREAS, the Agency has agreed to sublease and lease the Facility to the Company, and the Company desires to rent the Facility from the Agency, upon the terms and conditions set forth in this Lease Agreement.

AGREEMENT

For and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto do hereby mutually agree as follows:

ARTICLE I
DEFINITIONS

All capitalized terms used in this Lease Agreement and not otherwise defined herein shall have the meanings assigned thereto in the Schedule of Definitions attached hereto as Schedule A.

ARTICLE II
REPRESENTATIONS AND COVENANTS

Section 2.1 Representations and Covenants of Agency. The Agency makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The Agency is duly established and validly existing under the provisions of the Act and has full legal right, power and authority to execute, deliver and perform each of the Agency Documents and the other documents contemplated thereby. Each of the Agency Documents and the other documents contemplated thereby has been duly authorized, executed and delivered by the Agency.

(b) The Agency will acquire a leasehold interest in the Land and Improvements, cause the Improvements to be constructed and the Equipment to be acquired and installed and will lease and sublease the Facility to the Company pursuant to this Lease Agreement, all for the Public Purposes of the State.

(c) By resolution dated August 26, 2026, the Agency determined that, based upon the review by the Agency of the materials submitted and the representations made by the Company relating to the Facility, that the Project would not have a "significant impact" or "significant effect" on the environment within the meaning of the SEQR Act. The Agency also acknowledges that the Town of Poughkeepsie Planning Board (the "**Planning Board**") serving as Lead Agency, has on June 20, 2024 adopted a Negative Declaration and Determination of Non-Significance (the "**Negative Declaration**"), determining that the proposed construction of the Project would not result in any significant adverse environmental impacts, with the reasons for its determination

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stated therein. The Agency adopted the reasonings and findings set forth in the Planning Board's Negative Declaration as its own on August 26, 2026.

(d) Neither the execution and delivery of any of the Agency Documents and the other documents contemplated thereby or the consummation of the transactions contemplated thereby nor the fulfillment of or compliance with the provisions of any of the Agency Documents and the other documents contemplated thereby will conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of the Act, any other law or ordinance of the State or any political subdivision thereof, the Agency's Certificate of Establishment or By-Laws, as amended, or any corporate restriction or any agreement or instrument to which the Agency is a party or by which it is bound, or result in the creation or imposition of any Lien of any nature upon any of the Property of the Agency under the terms of the Act or any such law, ordinance, Certificate of Establishment, By-Laws, restriction, agreement or instrument, except for Permitted Encumbrances.

(e) Each of the Agency Documents and the other documents contemplated thereby constitutes a legal, valid and binding obligation of the Agency enforceable against the Agency in accordance with its terms.

(f) The Agency has been induced to enter into this Lease Agreement by the undertaking of the Company to utilize the Facility in Dutchess County, New York in furtherance of the Public Purposes of the Agency.

(g) The Agency will execute, acknowledge (if appropriate) and deliver from time to time such instruments and documents which are necessary or desirable to carry out the intent and purposes of this Lease Agreement.

Section 2.2 Representations and Covenants of Company. The Company makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company organized and existing under the laws of the State of New York, is in good standing under the laws of the State of New York, and has full legal right, power and authority to execute, deliver and perform each of the Company Documents and the other documents contemplated thereby. Each of the Company Documents and the other documents contemplated thereby has been duly authorized, executed and delivered by the Company.

(b) Neither the execution and delivery of any of the Company Documents and the other documents contemplated thereby or the consummation of the transactions contemplated thereby nor the fulfillment of or compliance with the provisions of any of the Company Documents and the other documents contemplated thereby will conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any law or ordinance of the State or any political subdivision thereof, the Company's Organizational Documents, as amended, or any restriction or any agreement or instrument to which the Company is a party or by which it is bound, or result in the creation or imposition of any Lien of any nature upon any of the Property of the

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Company under the terms of any such law, ordinance, Organizational Documents, as amended, restriction, agreement or instrument, except for Permitted Encumbrances.

(c) The Facility, the Project Work and the design, and operation of the Facility will conform with all applicable zoning, planning, building and Environmental Laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Facility. Under penalty of perjury, the Company certifies that it is in substantial compliance with all local, state, and federal tax, worker protection and environmental laws, rules and regulations.

(d) Each of the Company Documents and the other documents contemplated thereby constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms.

(e) The Facility is and will continue to be a "project" as such quoted term is defined in the Act. The Company will not take any action, or fail to take any action, which action or failure to act would cause the Facility not to constitute a "project" as such quoted term is defined in the Act.

(f) The transactions contemplated by this Lease Agreement shall not result in the removal of any facility or plant of any Facility occupant(s) from one area of the State to another area of the State or in the abandonment of one or more facilities or plants of the Facility occupant(s) located within the State.

(g) The Company agrees to take any actions reasonably deemed necessary by the Agency, or its Chairman, Vice Chairman, Executive Director or Chief Financial Officer, or any member or officer of the Agency, or counsel to the Agency, in order to ensure compliance with Sections 2.2(e) and (f) and 9.3 of this Lease Agreement provided that the Company receives duly acknowledged written confirmation from the Agency setting forth the reason(s) for said action(s). Without limiting the generality of the foregoing, the Company will provide the Agency with any and all information and materials describing proposed Facility occupants as necessary.

(h) The Company will sublease and lease the Facility in accordance with the provisions hereof, including, but not limited to, Section 9.3 hereof, and will cause future commercial (as opposed to residential) tenants of portions of the Facility, if any, to execute and deliver to the Agency a Tenant Agency Compliance Agreement substantially in the form attached hereto as Exhibit I, prior to the occupancy of the Facility, or a portion thereof, by such tenant, in accordance with the provisions of Section 9.3 hereof.

(i) The Company hereby represents to the Agency that facilities and property that are primarily used in making retail sales of goods and services to customers who personally visit the Facility will not constitute more than one-third (1/3) of the total costs of the Facility, except in accordance with New York General Municipal Law (the "**GML**") Section 862.

(j) There is no action or proceeding pending or, to the best of the Company's knowledge, after diligent inquiry, threatened, by or against the Company by or before any court or administrative agency that would adversely affect the ability of the Company to perform its obligations under this Lease Agreement or any other Company Document.

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(k) The Company has obtained all authorizations, consents and approvals of governmental bodies or agencies required to be obtained by it as of the Closing Date in connection with the execution and delivery of this Lease Agreement and each other Company Document or in connection with the performance of its obligations hereunder and under each Company Document.

(l) The Project Application Information was true, correct and complete as of the date submitted to the Agency, and no event has occurred or failed to occur since such date of submission which could cause any of the Project Application Information to include any untrue statement of a material fact or omit to state any material fact required to be stated therein to make such statements not misleading.

ARTICLE III
CONVEYANCE OF FACILITY SITE; PROJECT WORK AND COMPLETION

Section 3.1 Agreement to Convey to Agency. The Company has conveyed or has caused to be conveyed to the Agency (i) a leasehold interest in the Land, including any buildings, structures or other improvements thereon, and (ii) lien-free title to the Equipment, and will convey or cause to be conveyed to the Agency lien-free title to or a leasehold interest in the Equipment and Improvements acquired after the date hereof, in each case except for Permitted Encumbrances.

Section 3.2 Title Report and Survey. The Company has obtained and delivered to the Agency (i) a title report (in form and substance acceptable to the Agency) reflecting all matters of record with respect to the Land and existing Improvements, including municipal searches and (ii) a current or updated survey of each of the Land and the existing Improvements certified to the Agency.

Section 3.3 Public Authorities Law Representations. The parties hereto hereby acknowledge and agree that the Facility and the interest therein to be conveyed by this Lease Agreement are not "Property" as defined in Article 9, Title 5-A of the Public Authorities Law of the State because the Facility and the leasehold interests therein are securing the financial obligations of the Company. The Facility and the leasehold interests therein secure the obligations of the Company to the Agency under this Lease Agreement, including the Company's obligation to acquire, construct, equip and maintain the Facility and complete the Project Work on behalf of the Agency and the Company's obligation to indemnify and hold harmless the Agency.

Section 3.4 Project Work.

(a) The Company agrees that, on behalf of the Agency, it will complete the Project Work in accordance with the Plans and Specifications.

(b) The Company may revise the Plans and Specifications from time to time without the consent or approval of the Agency; provided that the Facility shall retain its overall configuration and intended purposes and shall remain a "project" as defined in the Act.

(c) Except as set forth in Section 6.2 hereof, fee or leasehold title, as applicable, to all materials, equipment, machinery and other items of Property incorporated or installed in or placed in, upon, or under the Facility shall vest in the Agency immediately upon the Company's obtaining

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an interest in or to the materials, equipment, machinery and other items of Property. The Company shall execute, deliver and record or file all instruments necessary or appropriate so to vest such title in the Agency and shall take all action necessary or appropriate to protect such title against claims of any third Persons.

(d) The Agency shall enter into, and accept the assignment of, such contracts as the Company may request in order to effectuate the purposes of this Section 3.4.

(e) The Company, as agent for the Agency, shall comply in all material respects with all provisions of the Labor Law of the State applicable to the completion of the Project Work and shall include in all construction contracts all provisions which may be required to be inserted therein by such provisions. The provisions of this subsection do not create any obligations or duties not created by applicable law outside of the terms of this Lease Agreement.

Section 3.5 Identification of Equipment. All Equipment which is or may become the Property of the Agency pursuant to the provisions of this Lease Agreement shall be properly identified by the Company by such appropriate records, including computerized records, as may be approved by the Agency. All Property of whatever nature affixed or attached to the Land or used or to be used by the Company in connection with the Land or the Improvements shall be deemed presumptively to be owned by the Agency, rather than the Company, unless the same were installed by the Company and title thereto was retained by the Company as provided in Section 6.2 of this Lease Agreement and such Property was properly identified by such appropriate records as were approved by the Agency.

Section 3.6 Certificates of Completion. To establish the Completion Date, the Company shall deliver to the Agency (i) a certificate signed by an Authorized Representative of the Company in the form set forth in Exhibit J attached hereto, together with all attachments required thereunder stating (a) that the Project Work has been completed in accordance with the Plans and Specifications therefor, and (b) that payment for all labor, services, materials and supplies used in such Project Work has been made or provided for; (ii) the Final Project Cost Budget, which budget will include a comparison with the project cost budget information listed in the Project Application Information and shall include all costs paid or incurred by the Company in connection with the Facility, and (iii) such other certificates and information as may be reasonably satisfactory to the Agency. The Company shall not be entitled to any refund or credit of the Agency's fee if the Final Project Cost Budget is lower than provided in the Project Application Information. The Company agrees that the Completion Date shall be no later than December 31, 2027.

Section 3.7 Remedies to Be Pursued Against Contractors, Subcontractors, Materialmen and Their Sureties. In the event of a default by any contractor, subcontractor, materialman or other Person under any contract made by it in connection with the Facility or in the event of a breach of warranty or other liability with respect to any materials, workmanship or performance guaranty, the Company at its expense, either separately or in conjunction with others, may pursue any and all remedies available to it and the Agency, as appropriate, against the contractor, subcontractor, materialman or other Person so in default and against any surety for the performance of such contract. The Company, in its own name or in the name of the Agency, may prosecute or defend any action or proceeding or take any other action involving any such contractor, subcontractor,

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materialman, surety or other Person which the Company deems reasonably necessary, and in such event the Agency, at the Company's sole cost and expense, hereby agrees to cooperate fully with the Company and to take all action necessary to effect the substitution of the Company for the Agency in any such action or proceeding. The Net Proceeds of any recovery from a contractor or subcontractor or materialman or other person shall be paid to the Company.

ARTICLE IV
LEASE OF FACILITY RENTAL PROVISIONS

Section 4.1 Lease of Facility. The Agency hereby subleases and leases the Facility, consisting of the Land as more particularly described in Exhibit A attached hereto and the Improvements and the Equipment as more particularly described in Exhibit B attached hereto, to the Company and the Company hereby takes the Facility from the Agency upon the terms and conditions of this Lease Agreement.

Section 4.2 Duration of Lease Term; Quiet Enjoyment.

(a) The Agency shall deliver to the Company sole and exclusive possession of the Facility (subject to Sections 8.1 and 10.2 hereof), and the leasehold and subleasehold estate created hereby shall commence, and the Company shall accept possession of the Facility on the Closing Date.

(b) Except as provided in Sections 10.2 and 11.1 hereof, the estate created hereby shall terminate at 11:58 p.m. on December 31, 2030 (the "**Lease Term**").

(c) Except as provided in Sections 8.1 and 10.2 hereof, the Agency shall neither take nor suffer or permit any action to prevent the Company during the Lease Term from having quiet and peaceable possession and enjoyment of the Facility and will, at the request of the Company and at the Company's sole cost and expense, cooperate with the Company in order that the Company may have quiet and peaceable possession and enjoyment of the Facility as hereinabove provided.

Section 4.3 Rents and Other Amounts Payable.

(a) The Company shall pay basic rent for the Facility as follows: One Dollar ($1.00) per year commencing on the Closing Date and on each and every January 1 thereafter during the term of this Lease Agreement. In addition, the Company shall pay to the Agency an annual compliance fee of $1,000.00 on or before January 1 of each year commencing January 1, 202 and continuing through the Lease Term.

(b) In addition to the payments of basic rent pursuant to Section 4.3(a) hereof, throughout the Lease Term, the Company shall pay to the Agency as additional rent, within ten (10) days of receipt of demand therefor, an amount equal to the sum of the expenses of the Agency and the members thereof incurred (i) by reason of the Agency's ownership, leasing, subleasing, or financing of the Facility, or (ii) in connection with the carrying out of the Agency's duties and obligations under the Agency Documents, the payment of which is not otherwise provided for under this Lease Agreement. The foregoing shall be in addition to any annual or continuing administrative or management fee imposed by the Agency now or hereafter.

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(c) The Company, under the provisions of this Section 4.3, agrees to make the above-mentioned payments in immediately available funds and without any further notice in lawful money of the United States of America. In the event the Company shall fail to timely make any payment required in Section 4.3(a) or 4.3(b), the Company shall pay the same together with interest on such payment at a rate equal to two percent (2%) plus the Prime Rate, but in no event at a rate higher than the maximum lawful prevailing rate, from the date on which such payment was due until the date on which such payment is made.

Section 4.4 Obligations of Company Hereunder Unconditional. The obligations of the Company to make the payments required in Section 4.3 hereof, and to perform and observe any and all of the other covenants and agreements on its part contained herein, shall be general obligations of the Company, and shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it may otherwise have against the Agency. The Company agrees it will not (i) suspend, discontinue or abate any payment required hereunder, or (ii) fail to observe any of its other covenants or agreements in this Lease Agreement.

Section 4.5 No Warranty of Condition or Suitability by Agency. THE AGENCY HAS MADE AND MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, FITNESS, DESIGN, OPERATION OR WORKMANSHIP OF ANY PART OF THE FACILITY, ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OR CAPACITY OF THE MATERIALS IN THE FACILITY, OR THE SUITABILITY OF THE FACILITY FOR THE PURPOSES OR NEEDS OF THE COMPANY OR THE EXTENT TO WHICH FUNDS AVAILABLE TO THE COMPANY WILL BE SUFFICIENT TO PAY THE COST OF COMPLETION OF THE PROJECT WORK. THE COMPANY ACKNOWLEDGES THAT THE AGENCY IS NOT THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT NOR A DEALER THEREIN. THE COMPANY, ON BEHALF OF ITSELF, IS SATISFIED THAT THE FACILITY IS SUITABLE AND FIT FOR PURPOSES OF THE COMPANY. THE AGENCY SHALL NOT BE LIABLE IN ANY MANNER WHATSOEVER TO THE COMPANY OR ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE CAUSED, DIRECTLY OR INDIRECTLY, BY THE PROPERTY OF THE FACILITY OR THE USE OR MAINTENANCE THEREOF OR THE FAILURE OF OPERATION THEREOF, OR THE REPAIR, SERVICE OR ADJUSTMENT THEREOF, OR BY ANY DELAY OR FAILURE TO PROVIDE ANY SUCH MAINTENANCE, REPAIRS, SERVICE OR ADJUSTMENT, OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE THEREOF OR FOR ANY LOSS OF BUSINESS HOWSOEVER CAUSED.

ARTICLE V
SALES TAX EXEMPTION; MORTGAGE RECORDING TAX EXEMPTION AND RECAPTURE OF BENEFITS

Section 5.1 Reserved.

Section 5.2 Sales Tax Exemption.

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(a) The Agency hereby appoints the Company its true and lawful agent, and the Company hereby accepts such agency (i) to complete the Project Work in accordance with the Plans and Specifications, (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions with any other Persons, and in general to do all things which may be requisite or proper, all for the Project Work with the same powers and with the same validity as the Agency could do if acting on its own behalf, (iii) to pay all fees, costs and expenses incurred in connection with the Project Work, (iv) to ask, demand, sue for, levy, recover and receive all such sums of money, debts, dues and other demands whatsoever which may be due, owing and payable to the Agency under the terms of any contract, order, receipt or writing in connection with the Project Work, and (v) to enforce the provisions of any contract, agreement, obligation, bond or other performance security. This agency appointment expressly excludes the Company from purchasing any motor vehicle, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets.

(b) Agency's Exempt Status. The Agency constitutes a corporate governmental agency and a public benefit corporation under the laws of the State of New York, and therefore, in the exercise of its governmental functions, is exempt from the imposition of Sales and Use Taxes. As an exempt governmental entity, no exempt organization identification number has been issued to the Agency nor is one required. Notwithstanding the foregoing, the Agency makes no representation to the Company, any Agent or any third party that any Sales Tax Exemption is available under this Lease Agreement.

(c) Scope of Authorization of Sales Tax Exemption. The Agency hereby authorizes the Company, subject to the terms and conditions of this Lease Agreement, to act as its agent in connection with the Facility for the purpose of effecting purchases and leases of Eligible Items so that such purchases and leases are exempt from the imposition of Sales and Use Taxes. The Agency's authorization with respect to such Sales Tax Exemption provided to the Company and its Agents pursuant to this Lease Agreement and any Sales Tax Agent Authorization Letters issued hereunder shall be subject to the following limitations:

(i) The Sales Tax Exemption shall be effective only for a term commencing on the Closing Date and expiring upon the earliest of (A) the termination of this Lease Agreement, (B) the Completion Date, (C) failure of the Company to file Form ST-340, as described in Section 5.2(g) below, (D) the termination of the Sales Tax Exemption authorization pursuant to Section 10.2 or (E) the date upon which the Company received the Maximum Company Sales Tax Savings Amount.

(ii) The Sales Tax Exemption authorization set forth herein shall automatically be suspended upon written notice to the Company that the Company is in default under this Lease Agreement until such default is cured to the satisfaction of the Agency.

(iii) The Sales Tax Exemption authorization shall be subject to all of the terms, conditions and provisions of this Lease Agreement.

(iv) The Sales Tax Exemption shall only be utilized for Eligible Items which shall be purchased, incorporated, completed or installed for use only by the Company at the Facility (and not with any intention to sell, transfer or otherwise dispose of any such

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Eligible Item to a Person as shall not constitute the Company), it being the intention of the Agency and the Company that the Sales Tax Exemption shall not be made available with respect to any Eligible Item unless such item is used solely by the Company at the Facility.

(v) The Sales Tax Exemption shall not be used for any Ineligible Item.

(vi) The Sales Tax Exemption shall not be used to benefit any person or entity, including any tenant or subtenant located at the Facility, other than the Company, without the prior written consent of the Agency.

(vii) By execution by the Company of this Lease Agreement, the Company agrees to accept the terms hereof and represents and warrants to the Agency that the use of the Sales Tax Exemption by the Company or by any Agent is strictly for the purposes stated herein.

(viii) Upon the Termination Date, the Company and each Agent shall cease being agents of the Agency, and the Company shall immediately notify each Agent in writing of such termination and that the Sales Tax Agent Authorization Letter issued to any such Agent is likewise terminated.

(ix) The Company agrees that the aggregate amount of Company Sales Tax Savings realized by the Company and by all Agents of the Company, if any, in connection with the Facility shall not exceed in the aggregate the Maximum Company Sales Tax Savings Amount.

(d) Procedures for Appointing Agents. If the Company desires to seek the appointment of a contractor, a subcontractor or other party to act as the Agency's agent (an "**Agent**") for the purpose of effecting purchases which are eligible for the Sales Tax Exemption pursuant to authority of this Lease Agreement, it must complete the following steps:

(i) For each Agent, the Company must complete and submit Form ST-60 to the Agency. The foregoing is required pursuant to GML Section 874(9) and Form ST-60 and the regulations relating thereto which require that within thirty (30) days of the date that the Agency appoints a project operator or other person or entity to act as agent of the Agency for purposes of extending a sales or use tax exemption to such person or entity, the Agency must file a completed Form ST-60 with respect to such person or entity.

(ii) Following receipt by the Agency of the completed Form ST-60, such Agent must be appointed as Agent by the Agency, by execution by the Agency and the Agent of a Sales Tax Agent Authorization Letter in the form attached hereto as Exhibit E. The determination whether to approve the appointment of an Agent shall be made by the Agency, in its sole discretion. If executed, a completed copy of the Sales Tax Agent Authorization Letter shall be sent to the Company. The Company must also provide a copy of an executed Sales Tax Agent Authorization Letter together with a copy of this Lease Agreement to the Agent within five (5) Business Days after receipt thereof by the Company.

DRAFT

(iii) The Company shall ensure that each Agent shall observe and comply with the terms and conditions of its Sales Tax Agent Authorization Letter and this Lease Agreement.

(e) Form ST-60 Not an Exemption Certificate. The Company acknowledges that the executed Form ST-60 designating the Company or any Agent as an agent of the Agency shall not serve as a sales or use tax exemption certificate or document. Neither the Company nor any other Agent may tender a copy of the executed Form ST-60 to any person required to collect sales tax as a basis to make such purchases exempt from tax. No such person required to collect sales or use taxes may accept the executed Form ST-60 in lieu of collecting any tax required to be collected. THE CIVIL AND CRIMINAL PENALTIES FOR MISUSE OF A COPY OF FORM ST-60 AS AN EXEMPTION CERTIFICATE OR DOCUMENT OR FOR FAILURE TO PAY OR COLLECT TAX SHALL BE AS PROVIDED IN THE TAX LAW. IN ADDITION, THE USE BY AN AGENT, THE COMPANY, OR OTHER PERSON OR ENTITY OF SUCH FORM ST-60 AS AN EXEMPTION CERTIFICATE OR DOCUMENT SHALL BE DEEMED TO BE, UNDER ARTICLES TWENTY-EIGHT AND THIRTY-SEVEN OF THE TAX LAW, THE ISSUANCE OF A FALSE OR FRAUDULENT EXEMPTION CERTIFICATE OR DOCUMENT WITH THE INTENT TO EVADE TAX.

(f) Form ST-123 Requirement. As an agent of the Agency, the Company agrees that it will, and will cause each Agent to, present to each seller or vendor a completed and signed Form ST-123 for each contract, agreement, invoice, bill or purchase order entered into by the Company or by any Agent, as agent for the Agency, for the Project Work. Form ST-123 requires that each seller or vendor accepting Form ST-123 identify the Facility on each bill or invoice for purchases and indicate on the bill or invoice that the Agency or Agent or Company, as project operator of the Agency, was the purchaser. For the purposes of indicating who the purchaser is, each bill or invoice should state, "I, [Company/Agent], certify that I am duly appointed agent of the Dutchess County Industrial Development Agency and that I am purchasing the tangible personal property or services for use in the Locust Grove Apartments 2026 Project located at 2736-2738 South Road, Town of Poughkeepsie, Dutchess County, New York, bearing Tax Map Grid No. 134689-6161-03-078100-0000, IDA Project Number 1302[____]." The Company shall retain copies of all such contracts, agreements, invoices, bills and purchase orders for a period of not less than six (6) years from the date thereof. For each Agent the Form ST-123 shall be completed as follows: (i) the "Project information" section of Form ST-123 should be completed using the name and address of the Facility as indicated on the Form ST-60 used to appoint the Agent; (ii) the date that the Agent was appointed as an agent should be completed using the date of the Agent's Sales Tax Agent Authorization Letter; and (iii) the "Exempt purchases" section of Form ST-123 should be completed by marking "X" in box "A" only.

(g) Form ST-340 Filing Requirement. The Company shall annually (currently, by each February 1st with respect to the prior calendar year) file a Form ST-340 with NYSDTF, and with a copy to the Agency, in a manner consistent with such regulations as is or may be prescribed by the Commissioner of NYSDTF (the "**Commissioner**"), of the value of all Company Sales Tax Savings claimed by the Company and each Agent in connection with the Facility. Should the Company fail to comply with the foregoing requirement, the Company and each Agent shall immediately cease to be agents of the Agency in connection with the Facility without any further

DRAFT

action of the Agency and the Company shall immediately and without demand notify each Agent appointed by the Agency in connection with the Facility of such termination.

(h) Sales Tax Registry Filing Requirement. No later than August 1st of each year, the Company shall file with the Agency a completed Sales Tax Registry, in the form attached hereto as Exhibit F, which accounts for all Company Sales Tax Savings realized by the Company and each Agent during the prior annual period ending on the preceding June 30th (or such shorter period beginning on the Closing Date and ending on the preceding June 30th), unless the Termination Date occurred prior to such June 30th. Within ten (10) days after the Termination Date, the Company shall file with the Agency a completed Sales Tax Registry which accounts for all Company Sales Tax Savings realized by the Company and each Agent during the period from the preceding July 1st to the Termination Date.

(i) Special Provisions Relating to State Sales Tax Savings.

(i) The Company covenants and agrees to comply, and to cause each of its contractors, subcontractors, Agents, persons or entities to comply, with the requirements of GML Sections 875(1) and (3) (the "**Special Provisions**"), as such provisions may be amended from time to time. In the event of a conflict between the other provisions of this Lease Agreement and the Special Provisions, the Special Provisions shall control.

(ii) The Company acknowledges and agrees that pursuant to GML Section 875(3), the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Company, State Sales Tax Savings taken or purported to be taken by the Company, any Agent or any other person or entity acting on behalf of the Company to which the Company is not entitled or which are in excess of the Maximum Company Sales Tax Savings Amount or which are for property or services not authorized or taken in cases where the Company, any Agent or any other person or entity acting on behalf of the Company failed to comply with a material term or condition to use property or services in the manner required by this Lease Agreement. The Company shall, and shall require each Agent and any other person or entity acting on behalf of the Company, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such State Sales Tax Savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner to assess and determine State Sales and Use Taxes due from the Company under Article 28 of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

(j) Subject to the provisions of subsection (i) above, in the event that the Company or any Agent shall utilize the Sales Tax Exemption in violation of the provisions of this Lease Agreement or any Sales Tax Agent Authorization Letter, the Company shall promptly deliver notice of same to the Agency, and the Company shall, upon demand by the Agency, pay to or at the direction of the Agency a return of sales or use tax exemptions in an amount equal to all such

DRAFT

unauthorized sales or use tax exemptions together with interest at the rate of twelve percent (12%) per annum compounded daily from the date and with respect to the dollar amount for which each such unauthorized sales or use tax exemption was availed of by the Company or any Agent (as applicable).

(k) Upon request by the Agency with reasonable notice to the Company, the Company shall make available at reasonable times to the Agency and/or the Independent Accountant all such books, records, contracts, agreements, invoices, bills or purchase orders of the Company and any Agent, and require all appropriate officers and employees of the Company to respond to reasonable inquiries by the Agency and/or the Independent Accountant, as shall be necessary (y) to indicate in reasonable detail those costs for which the Company or any Agent shall have utilized the Sales Tax Exemption and the dates and amounts so utilized, and (z) to permit the Agency to determine any amounts owed by the Company under this Section 5.2.

Section 5.3 Mortgage Recording Tax Exemption. Section 874 of the Act exempts the Agency from paying certain mortgage recording taxes except for the portion of the mortgage recording tax allocated to transportation districts referenced in Section 253(2)(a) of the Tax Law. The Agency hereby grants to the Company exemption from mortgage recording taxes for one or more Mortgages on the Facility securing an aggregate principal amount not to exceed $10,000,000.00, or such greater amount as approved by the Agency in its sole and absolute discretion, in connection with the financing of the Project Work and any future financing, refinancing or permanent financing of the costs of the Project Work for the Facility (the "**Mortgage Recording Tax Exemption**"). The Company represents and warrants (1) that the real property secured by the Mortgage is located within a transportation district referenced in Section 253(2)(a) of the Tax Law, and (2) that upon recording the Mortgage, the Company shall pay the mortgage recording tax allocated to transportation districts referenced in Section 253(a)(2) of the Tax Law.

Section 5.4 Recapture of Agency Benefits.

(a) It is understood and agreed by the parties hereto that the Agency is entering into this Lease Agreement in order to provide financial assistance to the Company for the Facility and to accomplish the public purposes of the Act. In consideration therefor, the Company hereby agrees that if there shall occur a Recapture Event during the Lease Term, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, one hundred percent (100%) of the Recaptured Benefits (as defined below).

(b) The term "**Recaptured Benefits**" shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency's participation in the transaction contemplated by the Lease Agreement including, but not limited to, the amount equal to 100% of:

(i) the Mortgage Recording Tax Exemption; and

(ii) Sales Tax Exemption savings realized by or for the benefit of the Company, including any savings realized by any Agent pursuant to the Lease Agreement and

DRAFT

each Sales Tax Agent Authorization Letter issued in connection with the Facility (the "**Company Sales Tax Savings**");

which Recaptured Benefits from time to time shall upon the occurrence of a Recapture Event in accordance with the provisions of subsection (c) below and the declaration of a Recapture Event by notice from the Agency to the Company be payable directly to the Agency or the State of New York if so directed by the Agency within thirty (30) days after such notice.

(c) The term "**Recapture Event**" shall mean any of the following events:

(1) The occurrence and continuation of an Event of Default under this Lease Agreement (other than as described in clause (4) below or in subsection (d) below) which remains uncured beyond any applicable notice and/or grace period, if any, provided hereunder; or

(2) The Facility shall cease to be a "project" within the meaning of the Act, as in effect on the Closing Date, through the act or omission of the Company; or

(3) The sale of the Facility or closure of the Facility and/or departure of the Company from Dutchess County, except as due to casualty, condemnation or force majeure as provided in subsection (e) below or as provided in Section 9.3 hereof; or

(4) Failure of the Company to create or cause to be maintained at least ninety percent (90%) of the number of FTE jobs at the Facility as provided in Section 8.11 of this Lease Agreement, which failure is not reflective of the business conditions of the Company or the subtenants of the Company, including without limitation loss of major sales, revenues, distribution or other adverse business developments and/or local, national or international economic conditions, trade issues or industry wide conditions; or

(5) Any significant deviations from the Project Application Information which would constitute a significant diminution of the Company's activities in, or commitment to Dutchess County, New York; or

(6) The Company receives Sales Tax Savings in connection with the Project Work in excess of the Maximum Company Sales Tax Savings Amount; provided, however, that the foregoing shall constitute a Recapture Event with respect to such excess Sales Tax Savings only. It is further provided that failure to repay the Sales Tax Savings within thirty (30) days shall constitute a Recapture Event with respect to all Recapture Benefits.

(d) Furthermore, notwithstanding the foregoing, a Recapture Event shall not be deemed to have occurred if the Recapture Event shall have arisen as a result of (i) a "force majeure" event (as more particularly defined in Section 10.1(b) hereof), (ii) a taking or condemnation by governmental authority of all or part of the Facility, or (iii) the inability or failure of the Company after the Facility shall have been destroyed or damaged in whole or in part (such occurrence a "**Loss Event**") to rebuild, repair, restore or replace the Facility to substantially its condition prior

DRAFT

to such Loss Event, which inability or failure shall have arisen in good faith on the part of the Company or any of its affiliates so long as the Company or any of its affiliates have diligently and in good faith using commercially reasonable efforts pursued the rebuilding, repair, restoration or replacement of the Facility or part thereof.

(e) The Company covenants and agrees to furnish the Agency with written notification (i) within sixty (60) days of the end of each Tax Year of the number of FTEs located at the Facility for such Tax Year, and (ii) within thirty (30) days of actual notice of any facts or circumstances which would likely lead to a Recapture Event or constitute a Recapture Event hereunder. The Agency shall notify the Company of the occurrence of a Recapture Event hereunder, which notification shall set forth the terms of such Recapture Event.

(f) In the event any payment owing by the Company under this Section shall not be paid on demand by the Agency, such payment shall bear interest from the date of such demand at a rate equal to one percent (1%) plus the Prime Rate, but in no event at a rate higher than the maximum lawful prevailing rate, until the Company shall have made such payment in full, together with such accrued interest to the date of payment, to the Agency (except as otherwise specified above).

(g) The Agency shall be entitled to deduct all reasonable out of pocket expenses of the Agency, including without limitation, reasonable legal fees, incurred in connection with the recovery of all amounts due under this Section 5.4, from amounts received by the Agency pursuant to this Section 5.4.

(h) Notwithstanding the foregoing, the Board of Directors of the Agency may waive the provisions of this Section in its sole discretion based upon its review of the circumstances of the Company.

ARTICLE VI
MAINTENANCE, MODIFICATIONS, TAXES AND INSURANCE

Section 6.1 Maintenance and Modifications of Facility by Company.

(a) The Company shall not abandon the Facility or cause or permit any waste to the Improvements. During the Lease Term, the Company shall not remove any material part of the Facility outside of the jurisdiction of the Agency and shall (i) keep the Facility or cause the Facility to be kept in as reasonably safe condition as its operations shall permit; (ii) make all necessary repairs and replacements to the Facility; and (iii) operate the Facility in a sound and economic manner.

(b) The Company from time to time may make any structural additions, modifications or improvements to the Facility or any part thereof, provided such actions do not adversely affect the structural integrity of the Facility. The Company may not make any changes to the footprint of the Facility, and any additions expanding the square footage of the Facility (including the addition of any stories whether above or below ground) or make any additions, modifications or improvements to the Facility which will materially and/or adversely affect the structural integrity or value of the Facility without the prior written consent of the Agency which consent shall not be unreasonably withheld or delayed. All such additions, modifications or improvements made by the

DRAFT

Company after the date hereof shall become a part of the Facility and the Property of the Agency. The Company agrees to deliver to the Agency all documents which may be necessary or appropriate to convey to the Agency title to or an interest in such Property.

Section 6.2 Installation of Additional Equipment. Subject to the provisions of Section 3.5 hereof, the Company or any permitted sublessee of the Company from time to time may install additional machinery, equipment or other personal property in the Facility (which may be attached or affixed to the Facility), and such machinery, equipment or other personal property shall not become, or be deemed to become, a part of the Facility, so long as such additional property is properly identified by such appropriate records, including computerized records, as approved by the Agency. The Company from time to time may create or permit to be created any Lien on such machinery, equipment or other personal property. Further, the Company from time to time may remove or permit the removal of such machinery, equipment and other personal property from the Facility, provided that any such removal of such machinery, equipment or other personal property shall not occur: (i) if any Event of Default has occurred or (ii) if any such removal shall adversely affect the structural integrity of the Facility or impair the overall operating efficiency of the Facility for the purposes for which it is intended, and provided further, that if any damage to the Facility is occasioned by such removal, the Company agrees promptly to repair or cause to be repaired such damage at its own expense.

Section 6.3 Taxes, Assessments and Utility Charges.

(a) Subject to the Sales Tax Exemption as provided hereunder, the Company agrees to pay, as the same become due and before any fine, penalty, interest (except interest which is payable in connection with legally permissible installment payments) or other cost which may be added thereto or become due or be imposed by operation of law for the non-payment thereof, (i) all taxes, payments-in-lieu-of-taxes and governmental charges of any kind whatsoever which may at any time be lawfully assessed or levied against or with respect to the Facility and any machinery, equipment or other Property installed or brought by the Company therein or thereon, including, without limiting the generality of the foregoing, any sales or use taxes imposed with respect to the Facility or any part or component thereof, or the rental or sale of the Facility or any part thereof, and any taxes levied upon or with respect to the income or revenues of the Agency from the Facility; (ii) all utility and other charges, including service charges, incurred or imposed for or with respect to the operation, maintenance, use, occupancy, upkeep and improvement of the Facility; and (iii) all assessments and charges of any kind whatsoever lawfully made by any governmental body for public improvements; provided that, with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Company shall be obligated under this Lease Agreement to pay only such installments as are required to be paid during the Lease Term.

(b) The Company may in good faith contest any such taxes, assessments and other charges. In the event of any such proceedings, the Company may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such proceedings and any appeal therefrom, provided, however, that (i) neither the Facility nor any part thereof or interest therein would be in any immediate danger of being sold, forfeited or lost by reason of such proceedings and (ii) the Company shall have set aside on its books adequate reserves with respect thereto and

DRAFT

shall have furnished such security, if any, as may be required in such proceedings or requested by the Agency.

(c) The Agency agrees that if it or the Company contests any taxes, assessments or other charges provided for in paragraph (b) hereof, all sums returned and received by the Agency, as a result thereof, will be promptly transmitted by the Agency to the Company and that the Company shall be entitled to retain all such amounts; which such obligation shall survive the expiration or termination of this Lease Agreement.

(d) Within thirty (30) days of receipt of written request therefor, the Company shall deliver to the Agency, official receipts of the appropriate taxing authorities or other proof reasonably satisfactory to the Agency evidencing payment of any tax.

Section 6.4 Insurance Required. At all times throughout the Lease Term, including, when indicated herein, during the Construction Period, if any, the Company shall, at its sole cost and expense, maintain or cause to be maintained insurance against such risks and for such amounts as are customarily insured against by facilities of like size and type and shall pay or cause to be paid, as the same become due and payable, all premiums with respect thereto, including, but not necessarily limited to:

(a) Insurance against loss or damage by fire, lightning and other casualties customarily insured against, with a uniform standard extended coverage endorsement, in an amount not less than the full replacement value of the completed Improvements, exclusive of footings and foundations, as determined by a recognized appraiser or insurer selected by the Company, but in no event less than the greater of $1,000,000 or the amount as may be required by any Lender. During the Construction Period, such policy shall be written in the so-called "Builder's Risk Completed Value Non-Reporting Form" and shall contain a provision granting the insured permission to complete and/or occupy.

(b) Workers' compensation insurance, disability benefits insurance and each other form of insurance which the Company or any permitted sublessee is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company or any permitted sublessee who are located at or assigned to the Facility. This coverage shall be in effect from and after the Completion Date or on such earlier date as any employees of the Company, any permitted sublessee, any contractor or subcontractor first occupy the Facility.

(c) Insurance protecting the Agency and the Company against loss or losses from liability imposed by law or assumed in any written contract (including the contractual liability assumed by the Company under Section 8.2 hereof) or arising from personal injury, including bodily injury or death, or damage to the property of others, caused by an accident or other occurrence, with a limit of liability of not less than $1,000,000 (combined single limit or equivalent for personal injury, including bodily injury or death, and property damage); comprehensive automobile liability insurance covering all owned, non-owned and hired autos, with a limit of liability of not less than $1,000,000 (combined single limit or equivalent protecting the Agency and the Company against any loss, liability or damage for personal injury, including bodily injury or death, and property damage); and blanket excess liability coverage, in an amount not less than $5,000,000 combined single limit or equivalent, protecting the Agency and the Company against

DRAFT

any loss or liability or damage for personal injury, including bodily injury or death, or property damage. This coverage shall also be in effect during the Construction Period.

(d) During the Construction Period, if any (and for at least one year thereafter in the case of Products and Completed Operations as set forth below), the Company shall cause the general contractor to carry liability insurance of the type and providing the minimum limits set forth below:

(i) Workers' compensation and employer's liability with limits in accordance with applicable law.

(ii) Comprehensive general liability providing coverage for:

Premises and Operations
Products and Completed Operations
Owners Protective
Contractors Protective
Contractual Liability
Personal Injury Liability
Broad Form Property Damage
(including completed operations)
Explosion Hazard
Collapse Hazard
Underground Property Damage Hazard

Such insurance shall have a limit of liability of not less than $1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(iii) Comprehensive auto liability, including all owned, non-owned and hired autos, with a limit of liability of not less than $1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(iv) Excess "umbrella" liability providing liability insurance in excess of the coverages in (i), (ii) and (iii) above with a limit of not less than $5,000,000.

(e) A policy or policies of flood insurance in an amount not less than the greater of $1,000,000 or the amount that may be required by any Lender or the maximum amount of flood insurance available with respect to the Facility under the Flood Disaster Protection Act of 1973, as amended, whichever is less. This requirement will be waived upon presentation of evidence satisfactory to the Agency that no portion of the Land is located within an area identified by the U.S. Department of Housing and Urban Development as having special flood hazards.

(f) The Agency does not in any way represent that the insurance specified in this Lease Agreement, whether in scope or coverage or limits of coverage, is adequate or sufficient to protect the Company's business or interests.

Section 6.5 Additional Provisions Respecting Insurance.

DRAFT

(a) All insurance required by Section 6.4 hereof shall be procured and maintained in financially sound and generally recognized responsible insurance companies authorized to write such insurance in the State and selected by the entity required to procure the same. The company issuing the policies required by Section 6.4(a) and (e) shall be rated "A" or better by A.M. Best Co., Inc. in Best's Key Rating Guide. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the procuring entity is engaged. All policies of insurance required by Section 6.4 hereof shall provide for at least thirty (30) days' prior written notice to the Agency of the restriction, cancellation or modification thereof. The policy evidencing the insurance required by Section 6.4(c) hereof shall name the Agency as an additional insured. All policies evidencing the insurance required by Section 6.4(d)(ii), (iii) and (iv) shall name the Agency and the Company as additional insureds. The Agency acknowledges that a mortgage and security interest in the policies of insurance required by Section 6.4(a) and the Net Proceeds thereof have been or may be granted by the Company to any Lender pursuant to the Mortgage, and the Agency consents thereto. The Agency hereby acknowledges that upon request of any Lender, the Company will assign and deliver (which assignment shall be deemed to be automatic and to have occurred upon the occurrence of an Event of Default under any Mortgage) to any Lender the policies of insurance required under Section 6.4(a), so and in such manner and form that any Lender shall at all times, upon such request and until the payment in full of any Loan, have and hold said policies and the Net Proceeds thereof as collateral and further security under any Mortgage for the payment of any Loan. The policies required under Section 6.4(a) shall contain appropriate waivers of subrogation.

(b) The certificates of insurance required by Section 6.4(a), (c) and (e) hereof shall be deposited with the Agency on or before the Closing Date. A copy of the certificates of insurance required by Section 6.4(d)(ii), (iii) and (iv) hereof shall be delivered to the Agency on or before the commencement of any Construction Period. The Company shall deliver to the Agency before the first Business Day of each calendar year thereafter a certificate dated not earlier than the immediately preceding month reciting that there is in full force and effect, with a term covering at least the next succeeding calendar year, insurance of the types and in the amounts required by Section 6.4 hereof and complying with the additional requirements of Section 6.5(a) hereof. Prior to the expiration of each such policy or policies, the Company shall furnish to the Agency and any other appropriate Person a new policy or policies of insurance or evidence that such policy or policies have been renewed or replaced or are no longer required by this Lease Agreement. The Company shall provide such further information with respect to the insurance coverage required by this Lease Agreement as the Agency may from time to time reasonably require.

Section 6.6 Application of Net Proceeds of Insurance. The Net Proceeds of the insurance carried pursuant to the provisions of Section 6.4 hereof shall be applied as follows: (i) the Net Proceeds of the insurance required by Section 6.4(a) and (e) hereof shall be applied as provided in Section 7.1 hereof, and (ii) the Net Proceeds of the insurance required by Section 6.4(b), (c) and (d) hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid.

Section 6.7 Right of Agency to Pay Taxes, Insurance Premiums and Other Charges. If the Company fails, beyond the expiration of any applicable notice and cure periods, (i) to pay any tax, together with any fine, penalty, interest or cost which may have been added thereto or become

DRAFT

due or been imposed by operation of law for nonpayment thereof, payment-in-lieu-of-tax, assessment or other governmental charge required to be paid by Section 6.3 hereof (unless contested in accordance with the provisions of Section 6.3), (ii) to maintain any insurance required to be maintained by Section 6.4 hereof, (iii) to pay any amount required to be paid by any law or ordinance relating to the use or occupancy of the Facility or by any requirement, order or notice of violation thereof issued by any governmental person, (iv) to pay any mechanic's Lien which is recorded or filed against the Facility or any part thereof (unless contested in accordance with the provisions of Section 8.8(b) hereof), or (v) to pay any other amount or perform any act required to be paid or performed by the Company hereunder, the Agency may pay or cause to be paid such tax, payment-in-lieu-of-tax, assessment or other governmental charge, premium for such insurance or any such other payment, or may perform any such act. No such payment shall be made or act performed by the Agency until at least ten (10) days shall have elapsed since notice shall have been given by the Agency, and in the case of any tax, assessment or governmental charge or the amounts specified in clauses (i) and (iv) hereof, no such payment shall be made in any event if the Company is contesting the same in good faith to the extent and as permitted by this Lease Agreement, unless an Event of Default hereunder shall have occurred and be continuing. No such payment by the Agency shall affect or impair any rights of the Agency hereunder arising in consequence of such failure by the Company. The Company shall, on demand, reimburse the Agency for any amount so paid or for expenses or costs incurred in the performance of any such act by the Agency pursuant to this Section (which shall include all reasonable legal fees and disbursements), together with interest thereon, from the date of payment of such amount, expense or cost by the Agency at a rate equal to two percent (2%) plus the Prime Rate, but in no event higher than the maximum lawful prevailing rate.

ARTICLE VII
DAMAGE, DESTRUCTION AND CONDEMNATION

Section 7.1 Damage or Destruction of the Facility.

(a) If the Facility or any part or component thereof shall be damaged or destroyed (in whole or in part) at any time during the Lease Term:

(i) the Agency shall have no obligation to replace, repair, rebuild, restore or relocate the Facility;

(ii) there shall be no abatement or reduction in the amounts payable by the Company under this Lease Agreement (whether or not the Facility is replaced, repaired, rebuilt, restored or relocated);

(iii) the Company shall promptly give written notice thereof to the Agency;

(iv) upon the occurrence of such damage or destruction, the Net Proceeds derived from the insurance shall be (A) paid to the Company or the Lender, as applicable, for the replacement, repair, rebuilding, restoration or relocation of the Facility as provided in Section 7.1(b) hereof or (B) applied pursuant to Section 7.1(e) hereof; and

DRAFT

(v) if the Facility is not replaced, repaired, rebuilt, restored or relocated, as provided herein and in Section 7.1(b) hereof, this Lease Agreement shall be terminated at the option of the Agency and the provisions of Section 7.1(e) hereof shall apply.

(b) Any replacements, repairs, rebuilding, restorations or relocations of the Facility by the Company after the occurrence of such damage or destruction shall be subject to the following conditions:

(i) the Facility shall be in substantially the same condition and value as an operating entity as existed prior to the damage or destruction;

(ii) the Facility shall continue to constitute a "project" as such term is defined in the Act;

(iii) the Facility will be subject to no Liens, other than Permitted Encumbrances; and

(iv) any other conditions the Agency may reasonably impose.

(c) All such repair, replacement, rebuilding, restoration or relocation of the Facility shall be effected with due diligence in a good and workmanlike manner in compliance with all applicable legal requirements, shall be promptly and fully paid for by the Company in accordance with the terms of the applicable contracts and shall automatically become a part of the Facility as if the same were specifically provided herein.

(d) In the event such Net Proceeds are not sufficient to pay in full the costs of such repair, replacement, rebuilding, restoration or relocation, the Company shall nonetheless complete the work, or cause the work to be completed pursuant to the terms of this Lease Agreement, and pay from its own moneys, or cause to be paid by such other party as may be obligated for payment that portion of the costs thereof in excess of such Net Proceeds. All such repairs, replacements, rebuilding, restoration or relocations made pursuant to this Section, whether or not requiring the expenditure of the Company's own money or moneys of any other person, shall automatically become a part of the Facility as if the same were specifically described herein.

(e) If the Company shall not repair, replace, rebuild, restore or relocate the Facility, it shall be deemed to have exercised its option to terminate this Lease Agreement pursuant to Section 11.1 hereof. Any Net Proceeds derived from insurance shall be applied to the payment of the amounts required to be paid by Section 11.2 hereof and the balance shall be delivered to the Company. If an Event of Default hereunder shall have occurred and the Agency shall have exercised its remedies under Section 10.2 hereof, such Net Proceeds shall be applied to the payment of the amounts required to be paid by Section 10.2 and Section 10.4 hereof.

Section 7.2 Condemnation.

(a) If title to or use of the Facility shall be taken by Condemnation (in whole or in part) at any time during the Lease Term:

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(i) the Agency shall have no obligation to repair, replace, rebuild, restore or relocate the Facility or to acquire, by construction or otherwise, facilities of substantially the same nature as the Facility ("**Substitute Facilities**");

(ii) there shall be no abatement or reduction in the amounts payable by the Company under this Lease Agreement (whether or not the Facility is repaired, replaced, rebuilt, restored or relocated or Substitute Facilities are acquired);

(iii) the Company shall promptly give written notice thereof to the Agency;

(iv) upon the occurrence of such Condemnation, the Net Proceeds derived therefrom shall be (A) paid to the Company or the Lender, as applicable, for the replacement, repair, rebuilding, restoration or relocation of the Facility or acquisition of Substitute Facilities as provided in Section 7.2(b) hereof or (B) applied pursuant to Section 7.2(e) hereof; and

(v) if the Facility is not repaired, replaced, rebuilt, restored or relocated, as provided herein and in Section 7.2(b) hereof, this Lease Agreement shall be terminated at the option of the Agency and the provisions of Section 7.2(e) hereof shall apply.

(b) Any repairs, replacements, rebuilding, restorations or relocations of the Facility by the Company after the occurrence of such Condemnation or acquisitions by the Company of Substitute Facilities shall be subject to the following conditions:

(i) the Facility or the Substitute Facilities shall be in substantially the same condition and value as an operating entity as existed prior to the Condemnation;

(ii) the Facility or the Substitute Facilities shall continue to constitute a "project" as such term is defined in the Act;

(iii) the Facility or the Substitute Facilities will be subject to no Liens, other than Permitted Encumbrances; and

(iv) any other conditions the Agency may reasonably impose.

(c) All such repair, replacement, rebuilding, restoration or relocation of the Facility shall be effected with due diligence in a good and workmanlike manner in compliance with all applicable legal requirements, shall be promptly and fully paid for by the Company in accordance with the terms of the applicable contracts and shall automatically become a part of the Facility as if the same were specifically described herein. Any Net Proceeds of a Condemnation not used to repair, replace, rebuild, restore, or relocate the Facility shall belong to the Company.

(d) In the event such Net Proceeds are not sufficient to pay in full the costs of such repair, replacement, rebuilding, restoration, relocation or acquisition of Substitute Facilities, the Company shall nonetheless complete, or cause to be completed, the work or the acquisition pursuant to the terms of this Lease Agreement and pay from its own moneys, or cause to be paid by such other party as may be obligated for payment, that portion of the costs thereof in excess of

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such Net Proceeds. All such repairs, replacements, rebuilding, restoration, relocations and such acquisition of Substitute Facilities made pursuant to this Section, whether or not requiring the expenditure of the Company's own money or moneys of any other person, shall automatically become a part of the Facility as if the same were specifically described herein.

(e) If the Company shall not repair, replace, rebuild or restore the Facility or acquire Substitute Facilities, it shall be deemed to have exercised its option to terminate this Lease Agreement pursuant to Section 11.1 hereof. Any Net Proceeds derived from the Condemnation shall be applied to the payment of the amounts required to be paid by Section 11.2 hereof. If any Event of Default hereunder shall have occurred and the Agency shall have exercised its remedies under Section 10.2 hereof, such Net Proceeds shall be applied to the payment of the amounts required to be paid by Section 10.2 and Section 10.4 hereof and any balance remaining thereafter shall belong to the Company.

Section 7.3 Condemnation of Company-Owned Property. The Company shall be entitled to the Net Proceeds of any casualty, damage or destruction insurance proceeds or any Condemnation award or portion thereof made for damage to or taking of any Property which, at the time of such damage or taking, is not part of the Facility.

Section 7.4 Waiver of Real Property Law Section 227. The Company hereby waives the provisions of Section 227 of the Real Property Law of the State or any law of like import now or hereafter in effect.

ARTICLE VIII
SPECIAL COVENANTS

Section 8.1 Right to Inspect Facility. The Agency and its duly authorized agents shall have the right at all reasonable times on reasonable notice to inspect the Facility, including, without limitation, for the purpose of ascertaining the condition of the Environment at, on or in the vicinity of the Facility.

Section 8.2 Hold Harmless Provisions.

(a) The Company agrees that the Agency, its directors, members, officers, agents (except the Company), and employees (the "**Indemnified Parties**") shall not be liable for and agrees to protect, defend, indemnify, save, release and hold the Indemnified Parties harmless from and against any and all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, actions, proceedings, costs, disbursements or expenses (including, without limitation, reasonable attorneys' and experts' fees, expenses and disbursements, incurred whether by reason of third party claims or to enforce the terms, conditions and provisions of this Lease Agreement) of any kind or nature whatsoever which may at any time be imposed upon, incurred by or asserted or awarded against the Agency relating to, resulting from or arising out of: (i) loss or damage to Property or injury to or death of any and all Persons that may be occasioned by, directly or indirectly, any cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation or the use thereof or the presence of any Person or Property on, in or about the Facility or the Land, (ii) the Project Work and the Agency's acquisition, owning, leasing and subleasing of the Facility, including, without limiting the

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generality of the foregoing, all claims arising from the breach by the Company of any of its covenants contained herein, the exercise by the Company of the authority conferred upon it pursuant to Section 5.2 of this Lease Agreement, and all causes of action and reasonable attorneys' fees (whether by reason of third party claims or by reason of the enforcement of any provision of this Lease Agreement (including without limitation this Section) or any of the other documents delivered on the Closing Date by the Agency) and any other expenses incurred in defending any claims, suits or actions which may arise as a result of any of the foregoing, (iii) the conditions of the Environment at, on or in the vicinity of the Facility, (iv) the Project Work or the operation or use of the Facility in violation of any applicable Environmental Law for the storage, treatment, generation, transportation, processing, handling, management, production or Disposal of any Hazardous Substance or as a landfill or other waste disposal site, or for military, manufacturing or industrial purposes or for the commercial storage of petroleum or petroleum based products, except in compliance with all applicable Environmental Laws, (v) the presence of any Hazardous Substance or a Release or Disposal or the threat of a Release or Disposal of any Hazardous Substance or waste on, at or from the Facility, (vi) the failure promptly to undertake and diligently pursue to completion all necessary, appropriate and legally authorized investigative, containment, removal, clean-up and other remedial actions with respect to a Release or the threat of a Release of any Hazardous Substance on, at or from the Facility, required by any Environmental Law, (vii) human exposure to any Hazardous Substance, noises, vibrations or nuisances of whatever kind to the extent the same arise from the Project Work, the condition of the Facility or the ownership, use, sale, operation, conveyance or operation thereof in violation of any Environmental Law, (viii) a violation of any applicable Environmental Law, (ix) non-compliance with any Environmental Permit, (x) a material misrepresentation or inaccuracy in any representation or warranty or a material breach of or failure to perform any covenant made by the Company in this Lease Agreement, or (xi) the costs of any required or necessary investigation, assessment, testing, repair, cleanup, or detoxification of the Facility and the preparation of any closure or other required plans; provided that any such losses, damages, liabilities or expenses of the Agency are not incurred on account of and do not result from the gross negligence or intentional or willful wrongdoing of the Indemnified Parties. The foregoing indemnities shall apply notwithstanding the fault or negligence in part of any of the Indemnified Parties, and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability. The foregoing indemnities are limited only to the extent of any prohibitions imposed by law, and upon the application of any such prohibition by the final judgment or decision of a competent court of law, the remaining provisions of these indemnities shall remain in full force and effect.

(b) Notwithstanding any other provisions of this Lease Agreement, the obligations of the Company pursuant to this Section 8.2 shall remain in full force and effect after the termination of this Lease Agreement until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters herein described may be brought, the payment in full or the satisfaction of such claim, cause of action or prosecution relating to the matters herein described and the payment of all expenses and charges incurred by the Indemnified Parties, relating to the enforcement of the provisions herein specified. The liability of the Company to the Agency hereunder shall in no way be limited, abridged, impaired or otherwise affected by (i) any amendment or modification of any of the Transaction Documents by or for the benefit of the Agency, the Company or any subsequent owners or users of the Facility, (ii) any extensions of time for payment or performance required by any of the Transaction Documents, (iii) the release of the Company or any other person from the performance

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or observance of any of the agreements, covenants, terms or conditions contained in any of the Transaction Documents by operation of law, either by the Agency's voluntary act or otherwise, (iv) the invalidity or unenforceability of any of the terms or provisions of the Transaction Documents, (v) any exculpatory provision contained in any of the Transaction Documents limiting the Agency's recourse to any other security or limiting the Agency's rights to a deficiency judgment against the Company, (vi) any investigation or inquiry conducted by or on the behalf of the Agency or any information which the Agency may have or obtain with respect to the condition of the Environment at, or ecological condition of, the Facility, (vii) the sale, assignment or foreclosure of any mortgage relating to all or any part of the Facility, but only with respect to a Release that has occurred prior to any such event, (viii) the sale, assignment, subleasing, transfer or conveyance of all or part of the Land or the Facility or the Company's interests and rights in, to, and under the Lease Agreement or the termination of the Lease Agreement, but only with respect to a Release that has occurred prior to any such event, (ix) the death or legal incapacity of the Company, (x) the release or discharge, in whole or in part, of the Company in any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or similar proceeding, or (xi) any other circumstances which might otherwise constitute a legal or equitable release or discharge, in whole or in part, of the Company under the Lease Agreement, or any other Transaction Document.

(c) In the event of any claim against the Indemnified Parties by any employee or contractor of the Company or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the obligations of the Company hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, disability benefits or other employee benefit acts.

Section 8.3 Company to Maintain Its Existence. The Company covenants and agrees that at all times during the Lease Term, it will (i) maintain its existence, (ii) continue to be an entity subject to service of process in the State and either organized under the laws of the State, or organized under the laws of any other state of the United States and duly qualified to do business as a foreign entity in the State, (iii) not liquidate, wind-up or dissolve or otherwise dispose of all or substantially all of its property, business or assets remaining after the execution and delivery of this Lease Agreement, (iv) not consolidate with or merge into another corporation or permit one or more corporations to consolidate with or merge into it, and (v) not change more than 49% of the ownership and control of the Company or sell or transfer more than 49% of the equity interests in the Company, except in the case of clauses (iv) and (v), with consent of the Agency, which consent shall not be unreasonably withheld or delayed or conditioned.

Section 8.4 Qualification in State. The Company throughout the Lease Term shall continue to be duly authorized to do business in the State.

Section 8.5 Agreement to File Annual Statements and Provide Information. The Company shall file with the NYSDTF an annual statement of the value of all sales and use tax exemptions claimed in connection with the Facility in compliance with Sections 874(8) of the GML as provided in Section 5.2(g) hereof. The Company shall submit a copy of such annual statement to the Agency at the time of filing with NYSDTF. The Company shall also provide the Agency with the information necessary for the Agency to comply with Section 874(9) of the GML. Annually, the Company shall provide the Agency with a certified statement and documentation (i)

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enumerating the FTE jobs, by category, retained and/or created at the Facility as a result of the Agency's financial assistance and (ii) indicating the fringe benefits and salary averages or ranges for such categories of FTE jobs created and/or retained. The Company further agrees to provide and certify or cause to be provided and certified such information concerning the Company, its finances, its operations, its employment and its affairs necessary to enable the Agency to make any report required by law, governmental regulation, including, without limitation, any reports required by the Act or the Public Authorities Accountability Act of 2005 and the Public Authorities Reform Act of 2009, each as amended from time to time, or any other reports required by the New York State Authority Budget Office or the Office of the State Comptroller or any of the Agency Documents or Company Documents. Such information shall be provided within thirty (30) days following written request from the Agency. The Company shall cause any and all sublessees at the Facility, except for any residential tenants of the Facility, to comply with the requirements of this Section 8.5 by requiring each such sublessee to enter into a Tenant Agency Compliance Agreement, as described in Section 9.3 hereof.

Section 8.6 Books of Record and Account; Financial Statements. The Company at all times agrees to maintain proper accounts, records and books in which full and correct entries shall be made, in accordance with generally accepted accounting principles, of all transactions and events relating to the business and financial affairs of the Company.

Section 8.7 Compliance with Orders, Ordinances, Etc.

(a) The Company, throughout the Lease Term, agrees that it will promptly comply, and cause any sublessee, tenant or occupant of the Facility to comply, with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Facility or any part thereof, or to the Project Work, or to any use, manner of use or condition of the Facility or any part thereof, of all federal, state, county, municipal and other governments, departments, commissions, boards, courts, authorities, officials and officers having jurisdiction over the Facility or any part thereof, or of the Project Work, or of any use, manner of use or condition of the Facility or any part thereof or of any companies or associations insuring the premises.

(b) Notwithstanding the provisions of subsection (a) above, the Company may in good faith contest the validity or the applicability of any requirement of the nature referred to in such subsection (a) by appropriate legal proceedings conducted in good faith and with due diligence. In such event, the Company may fail to comply with the requirement or requirements so contested during the period of such contest and any appeal therefrom, unless the Agency shall notify the Company that by failure to comply with such requirement or requirements, the Facility or any part thereof may be subject to loss, penalty or forfeiture, in which event the Company shall promptly take such action with respect thereto or provide such security as shall be satisfactory to the Agency. If at any time the then existing use or occupancy of the Facility shall, pursuant to any zoning or other law, ordinance or regulation, be permitted only so long as such use or occupancy shall continue, the Company shall use its best efforts not to cause or permit such use or occupancy to be discontinued without the prior written consent of the Agency.

Section 8.8 Discharge of Liens and Encumbrances.

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(a) The Company, throughout the Lease Term, shall not permit or create or suffer to be permitted or created any Lien, except for Permitted Encumbrances, upon the Facility or any part thereof by reason of any labor, services or materials rendered or supplied or claimed to be rendered or supplied with respect to the Facility or any part thereof.

(b) Notwithstanding the provisions of subsection (a) above, the Company may in good faith contest any such Lien. In such event, the Company may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, unless the Agency shall notify the Company in writing that by nonpayment of any such item or items, the Facility or any part thereof may be subject to loss or forfeiture. In the event of such notice the Company shall promptly secure payment of all such unpaid items by filing a bond, in form and substance satisfactory to the Agency, thereby causing such Lien to be removed, or by taking such other actions as may be satisfactory to the Agency to protect its interests. Mechanics' Liens shall be discharged or bonded within thirty (30) days of the filing or perfection thereof.

Section 8.9 Depreciation Deductions and Investment Tax Credit. The parties agree that, as between them, the Company shall be entitled to all depreciation deductions with respect to any depreciable property comprising a part of the Facility and to any investment credit with respect to any part of the Facility.

Section 8.10 Employment Opportunities; Notice of Jobs. The Company covenants and agrees that, in consideration of the participation of the Agency in the transactions contemplated herein, it will, except as otherwise provided by collective bargaining contracts or agreements to which the Company is a party, cause any new employment opportunities created in connection with the Facility to be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300), as superseded by the Workforce Innovation and Opportunity Act (PL. 113-128), in which the Facility is located (collectively, the "**Referral Agencies**"). The Company agrees to comply with the Agency's "Local Workforce Utilization Policy" a copy of which is attached hereto as Exhibit L and made a part hereof. The Company also agrees, and shall cause any and all sublessees to agree, that they will, where practicable, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies.

Section 8.11 Employment at the Facility. The Company hereby agrees to create and maintain at all times or cause to be created and maintained at all times at the Facility: two (2) full time equivalent employees as of December 31, 2029 (within two (2) years of the Completion Date) and thereafter throughout the Lease Term, calculated on the basis of 35 hours per week who are employees of the Company or any subsidiary or affiliates of the Company, or any consultants, contractors or subcontractors of the Company, or any subsidiary or affiliates of the Company, whose place of employment or workplace is located at the Facility (including the full time equivalent employees of all tenants at the Facility) ("**FTE**").

Section 8.12 Annual Compliance Certificate. The Company shall deliver to the Agency each year no later than January 15th, a certificate signed by an Authorized Representative of the Company in the form attached hereto as Exhibit K, together with all attachments referenced therein.

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Section 8.13 Compliance with Labor Law Section 224-a. The Agency hereby informs the Company that certain Construction work done under contract in connection with financial assistance from the Agency may be subject to the requirements of Section 224-a of the Labor Law of the State, including but not limited to the requirement that such Construction shall be subject to prevailing wage requirements of Section 220 and 220-b of the Labor Law of the State. In addition, such Construction work may be required by Section 224-a of the Labor Law to comply with the objectives and goals of minority and women-owned business enterprises pursuant to Article Fifteen-A of the Executive Law and service-disabled veteran-owned business pursuant to Article Seventeen-B of the Executive Law. The Company shall certify or cause to be certified using the Certificate required by the New York State Department of Labor (currently Form PW39-a) within five (5) days of commencement of Construction work, to the Agency and Commissioner of Labor of the State, whether the Project is subject to the provisions of Section 224-a of the Labor Law. A copy of such certification shall be filed with the Agency no later than ten (10) days after filing with the Commissioner of Labor.

ARTICLE IX
RELEASE OF CERTAIN LAND; ASSIGNMENTS AND SUBLEASING

Section 9.1 Restriction on Sale of Facility; Release of Certain Land.

(a) Except as otherwise specifically provided in this Article IX and in Article X hereof, the Agency shall not sell, convey, transfer, encumber or otherwise dispose of the Facility or any part thereof, or any of its rights under this Lease Agreement, without the prior written consent of the Company.

(b) The Agency and the Company from time to time may release from the provisions of this Lease Agreement and the leasehold estate created hereby any part of, or interest in, the Land which is not necessary, desirable or useful for the Facility. In such event, the Agency, at the Company's sole cost and expense, shall execute and deliver any and all instruments necessary or appropriate so to release such part of, or interest in, the Land. As a condition to such release, the Agency shall be provided with a copy of the instrument transferring such title or interest in such Land, an instrument survey of the Land to be conveyed, together with a certificate of an Authorized Representative of the Company stating that there is then no Event of Default under this Lease Agreement and that such part of, or interest in, the Land is not necessary, desirable or useful for the Facility.

(c) No conveyance of any part of, or interest in, the Land effected under the provisions of this Section 9.l shall entitle the Company to any abatement or diminution of the rents payable by it under this Lease Agreement.

Section 9.2 Removal of Equipment.

(a) The Agency shall not be under any obligation to remove, repair or replace any inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary item of Equipment. In any instance where the Company determines that any item of Equipment has become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, the Company may remove such items from the Facility and may sell, trade-in, exchange or otherwise dispose of the same, as a whole or

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in part, provided that such removal will not materially impair the operation of the Facility for the purpose for which it is intended or change the nature of the Facility so that it does not constitute a "project" under the Act.

(b) Upon the request of the Company, the Agency shall execute and deliver to the Company all instruments necessary or appropriate to enable the Company to sell or otherwise dispose of any such item of Equipment. The Company shall pay any costs (including attorneys' fees) incurred in transferring title to any item of Equipment removed pursuant to this Section 9.2.

(c) The removal of any item of Equipment pursuant to this Section shall not entitle the Company to any abatement or diminution of any amounts payable by it under this Lease Agreement.

Section 9.3 Assignment and Subleasing.

(a) This Lease Agreement may not be assigned, in whole or in part, and, except with regard to any sublease to residential tenants for which prior written consent of the Agency shall not be required, the, the Facility may not be subleased, in whole or in part, without the prior written consent of the Agency, in each instance, which consent shall not be unreasonably withheld or delayed, but shall be subject to the dates of the Agency's board meetings, and which consent may be fully and effectively given by the execution and delivery of a Tenant Agency Compliance Agreement by an Authorized Representative of the Agency in substantially the form attached hereto as Exhibit I. Any assignment or sublease shall be on the following conditions, as of the time of such assignment or sublease:

(i) no assignment or sublease shall relieve the Company from primary liability for any of its obligations hereunder unless the Agency consents thereto, which consent shall not be unreasonably withheld or delayed subject to the dates of the Agency's board meetings and which consent shall be conditioned upon the Agency being indemnified and held harmless to its reasonable satisfaction;

(ii) the assignee or sublessee (except in the case of a true sublessee in the ordinary course of business) shall assume the obligations of the Company hereunder to the extent of the interest assigned or subleased;

(iii) the Company shall, within ten (10) days after the delivery thereof, furnish or cause to be furnished to the Agency a true and complete copy of such assignment or sublease and the instrument of assumption;

(iv) neither the validity nor the enforceability of the Lease Agreement shall be adversely affected thereby;

(v) the Facility shall continue to constitute a "project" as such quoted term is defined in the Act, and, without limiting the generality of the foregoing, no assignment or sublease shall cause the Facility to be used in violation of Section 862(2)(a) of the Act and no assignment or sublease shall cause the Facility to be occupied by a sublessee in violation of Section 862(1) of the Act; and

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(vi) any sublessee will execute and deliver a Tenant Agency Compliance Agreement, satisfactory to the Agency in substantially the form attached hereto as Exhibit I;

(b) If the Agency shall so request, as of the purported effective date of any assignment or sublease pursuant to subsection (a) of this Section 9.3, the Company at its sole cost and expense shall furnish the Agency with opinions, in form and substance satisfactory to the Agency, (i) of Agency Counsel as to item (v) above, and (ii) of Independent Counsel as to items (i), (ii), and (iv) above.

(c) In accordance with Section 862(1) of the Act, the Facility shall not be occupied by a sublessee whose tenancy would result in the removal of a facility or plant of the proposed sublessee from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of such sublessee located within the State; provided, however, that neither restriction shall apply if the Agency shall determine:

(i) that such occupation of the Facility is reasonably necessary to discourage the proposed sublessee from removing such other plant or facility to a location outside the State, or

(ii) that such occupation of the Facility is reasonably necessary to preserve the competitive position of the proposed sublessee in its respective industry.

Section 9.4 Merger of Agency.

(a) Nothing contained in this Lease Agreement shall prevent the consolidation of the Agency with, or merger of the Agency into, or the transfer of the Agency's interest in the entire Facility to, any other public benefit corporation or political subdivision which has the legal authority to own and lease the Facility and to continue the tax benefits contemplated by the Transaction Documents, provided that upon any such consolidation, merger or transfer, the due and punctual performance and observance of all the agreements and conditions of this Lease Agreement to be kept and performed by the Agency shall be expressly assumed in writing by the public benefit corporation or political subdivision resulting from such consolidation or surviving such merger or to which the Facility shall be transferred.

(b) Within thirty (30) days after the consummation of any such consolidation, merger or transfer of title, the Agency shall give notice thereof in reasonable detail to the Company and shall, upon request, furnish to the Company, at the sole cost and expense of the Company, a favorable opinion of Independent Counsel as to compliance with the provisions of Section 9.4(a) hereof. The Agency promptly shall furnish such additional information with respect to any such transaction as the Company may reasonably request.

ARTICLE X
EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined.

(a) The following shall each be "Events of Default" under this Lease Agreement:

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(i) the failure by the Company to pay or cause to be paid, on the date due, the amounts specified to be paid pursuant to Section 4.3(a) and (b) hereof;

(ii) the failure by the Company to observe and perform any covenant contained in Sections 2.2(e), (f) or (i), 3.6, 5.2, 6.3, 6.4, 6.5, 8.2, 8.4, 8.5, 8.11, 8.12, 9.3, 10.4 and Article XIII hereof;

(iii) the failure by the Company to pay or cause to be paid the Recaptured Benefits on the date due;

(iv) the occurrence and continuation of a Recapture Event;

(v) any representation or warranty of the Company herein, in any of the Company Documents or in the Project Application Information shall prove to have been false or misleading in any material respect;

(vi) the failure by the Company to observe and perform any covenant, condition or agreement hereunder on its part to be observed or performed (except obligations referred to in 10.1(a)(i), (ii) or (iii)) for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, has been given to the Company by the Agency;

(vii) the dissolution or liquidation of the Company; or the failure by the Company to release, stay, discharge, lift or bond within thirty (30) days any execution, garnishment, judgment or attachment of such consequence as may impair its ability to carry on its operations; or the failure by the Company generally to pay its debts as they become due; or an assignment by the Company for the benefit of creditors; or the commencement by the Company (as the debtor) of a case in bankruptcy or any proceeding under any other insolvency law; or the commencement of a case in bankruptcy or any proceeding under any other insolvency law against the Company (as the debtor), wherein a court having jurisdiction in the premises enters a decree or order for relief against the Company as the debtor, or such case or proceeding is consented to by the Company or remains undismissed for forty (40) days, or the Company consents to or admits the material allegations against it in any such case or proceeding; or a trustee, receiver or agent (however named) is appointed or authorized to take charge of substantially all of the property of the Company for the purpose of enforcing a lien against such Property or for the purpose of general administration of such Property for the benefit of creditors;

(viii) an Event of Default under the Mortgage, if any, shall have occurred and be continuing; or

(ix) a default by any tenant under its respective Tenant Agency Compliance Agreement shall have occurred and be continuing.

(b) Notwithstanding the provisions of Section 10.1(a), if by reason of force majeure any party hereto shall be unable in whole or in part to carry out its obligations under Sections 3.4,

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6.1 and 8.11 of this Lease Agreement, and if such party shall give notice and full particulars of such force majeure in writing to the other party, within a reasonable time after the occurrence of the event or cause relied upon, such obligations under this Lease Agreement of the party giving such notice (and only such obligations), so far as they are affected by such force majeure, shall be suspended during continuation of the inability, which shall include a reasonable time for the removal of the effect thereof. The term "force majeure" as used herein shall include, without limitation, acts of God, strikes, lockouts or other industrial disturbances, acts of public enemies, acts, priorities or orders of any kind of the government of the United States of America or of the State or any of their departments, agencies, governmental subdivisions or officials or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fire, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accident to machinery, transmission pipes or canals, shortages of labor or materials or delays of carriers, partial or entire failure of utilities, shortage of energy or any other cause or event not reasonably within the control of the party claiming such inability and not due to its fault. The party claiming such inability shall remove the cause for the same with all reasonable promptness. It is agreed that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the party having difficulty, and the party having difficulty shall not be required to settle any strike, lockout and other industrial disturbances by acceding to the demands of the opposing party or parties.

Section 10.2 Remedies on Default.

(a) Whenever any Event of Default shall have occurred and be continuing, the Agency may take, to the extent permitted by law, any one or more of the following remedial steps:

(i) declare, by written notice to the Company, to be immediately due and payable, whereupon the same shall become immediately due and payable: (A) all unpaid installments of rent payable pursuant to Section 4.3(a) and (b) hereof, (B) all due and owing Recaptured Benefits, and (C) all other payments due under this Lease Agreement; provided, however, that if an Event of Default specified in Section 10.1(a)(vii) hereof shall have occurred and be continuing, such installments of rent and other payments due under this Lease Agreement shall become immediately due and payable without notice to the Company or the taking of any other action by the Agency;

(ii) terminate this Lease Agreement and the Company Lease, reconvey the Equipment to the Company and terminate the Sales Tax Exemption authorization. The Agency shall have the right to execute appropriate lease termination documents with respect to the Facility and to place the same on record in the Dutchess County Clerk's office, at the sole cost and expense of the Company and in such event the Company waives delivery and acceptance of such lease termination documents and the Company hereby appoints the Agency its true and lawful agent and attorney-in-fact (which appointment shall be deemed to be an agency coupled with an interest), with full power of substitution to file on its behalf all affidavits, questionnaires and other documentation necessary to accomplish the recording of such lease termination documents; or

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(iii) take any other action at law or in equity which may appear necessary or desirable to collect the payments then due or thereafter to become due hereunder, and to enforce the obligations, agreements and covenants of the Company under this Lease Agreement.

(b) No action taken pursuant to this Section 10.2 (including termination of the Lease Agreement) shall relieve the Company from its obligation to make all payments required by Section 4.3 hereof or due and owing Recaptured Benefits.

Section 10.3 Remedies Cumulative. No remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right and power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Agency to exercise any remedy reserved to it in this Article X, it shall not be necessary to give any notice, other than such notice as may be herein expressly required in this Lease Agreement.

Section 10.4 Agreement to Pay Attorneys' Fees and Expenses. In the event the Company should default under any of the provisions of this Lease Agreement and the Agency should employ attorneys or incur other expenses for the collection of amounts payable hereunder or the enforcement of performance or observance of any obligations or agreements on the part of the Company herein contained, the Company shall, on demand therefor, pay to the Agency the reasonable fees of such attorneys and such other expenses so incurred.

Section 10.5 No Additional Waiver Implied by One Waiver. In the event any agreement contained herein should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE XI
EARLY TERMINATION OF LEASE AGREEMENT
OPTION IN FAVOR OF COMPANY

Section 11.1 Early Termination of Lease Agreement. The Company shall have the option to terminate this Lease Agreement at any time upon filing with the Agency a certificate signed by an Authorized Representative of the Company stating the Company's intention to do so pursuant to this Section and stating the date upon which such payments required by Section 11.2 hereof shall be made (which date shall not be less than forty five (45) nor more than 90 days from the date such certificate is filed) and upon compliance with the requirements set forth in Section 11.2 hereof.

Section 11.2 Conditions to Termination of Lease Agreement. In the event of the termination or expiration of this Lease Agreement in accordance with the provisions of Sections 4.2, 10.2 or 11.1 hereof, the Company shall make or cause to be made the following payments:

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(a) To the Agency: the purchase price with respect to the Equipment of one dollar ($1.00);

(b) To the Agency: all amounts due and payable under Section 5.4 hereof;

(c) To the Agency: an amount certified by the Agency to be sufficient to pay all unpaid fees and expenses of the Agency incurred under the Agency Documents; and

(d) To the appropriate Person: an amount sufficient to pay all other fees, expenses or charges, if any, due and payable or to become due and payable under the Company Documents.

Section 11.3 Conveyance on Termination. At the closing of any expiration or termination of the Lease Agreement, the Agency shall, upon receipt of the amounts payable pursuant to Section 11.2 hereof, deliver to the Company all necessary documents (i) to terminate this Lease Agreement and the Company Lease and to convey the Equipment to the Company, subject in each case only to the following: (A) any Liens to which leasehold estate or title to such Property was subject when conveyed to the Agency, (B) any Liens created at the request of the Company, to the creation of which the Company consented or in the creation of which the Company acquiesced, (C) any Permitted Encumbrances, and (D) any Liens resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Lease Agreement or arising out of an Event of Default hereunder; and (ii) to release and convey to the Company all of the Agency's rights and interest in and to any rights of action or any Net Proceeds of insurance or Condemnation awards with respect to the Facility (but not including any Unassigned Rights). At the closing of any expiration or termination of the Lease Agreement, and unless otherwise waived by the Agency, as a condition to such termination or expiration, the Company shall request each Lender to release the Agency from any Mortgage and any other Loan Documents to which it is a party in writing and cause such releases to be recorded as applicable.

ARTICLE XII
LENDER PROVISIONS

Section 12.1 Subordination of Lease Agreement. This Lease Agreement and any and all modifications, amendments, renewals and extensions thereof is subject and subordinate to any Mortgage which may be granted by the Agency and the Company on the Facility or any portion thereof and to any and all modifications, amendments, consolidations, extensions, renewals, replacements and increases thereof.

Section 12.2 Mortgage and Pledge of Agency's Interests to Lender. The Agency shall at the request of, and at the sole cost and expense of, the Company (i) mortgage its interest in the Facility, and (ii) pledge and assign its rights to and interest in this Lease Agreement (other than Unassigned Rights) to the Lender as security for the payment of the principal of and interest on the Loan, in each case in accordance with the provisions attached hereto as Exhibit D. The Company hereby acknowledges and consents to such mortgage, pledge and assignment by the Agency. Notwithstanding the foregoing, all indemnities herein contained shall, subsequent to such mortgage, pledge and assignment, continue to run to the Agency for its benefit.

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Section 12.3 Pledge of Company's Interest to Lender. The Company shall have the right to pledge and assign its rights to and interest in this Lease Agreement and the Plans and Specifications to any Lender as security for the payment of the principal of and interest on the Loan. The Agency hereby acknowledges and consents to any such pledge and assignment by the Company.

Section 12.4 Making of Loans; Disbursement of Loan Proceeds. The Agency acknowledges that the Company may request one or more Lenders to make one or more loans to finance and refinance the costs of the acquisition of the Facility and/or the Project Work or to reimburse the Company for the cost of acquiring the Facility and/or the Project Work (the "**Loan**"). Proceeds of such Loan shall be disbursed by such Lender in accordance with the provisions of the Mortgage or other related documentation applicable to such Loan.

Provided that the Agency shall have received the notice of the name and address of a Lender, the Agency agrees that simultaneously with its giving of any notice under this Lease Agreement (each a "**Notice**") it will send a copy of such Notice to each Lender. Each Notice shall be sent to each Lender in the manner provided herein at the address provided to the Agency by each Lender for such purpose. Each such Lender may change such address from time to time by written notice to the Agency in accordance herewith. The Agency shall reasonably cooperate with the Company in connection with the granting or modification by the Company of any Mortgage. Such cooperation shall include, without limitation, the execution and delivery of such documents and instruments in connection with a Mortgage as the Company or the Lender may reasonably request (the "**Loan Documents**"), provided that such documents and instruments shall contain the language set forth in Exhibit D attached hereto and made a part hereof. The Company shall perform or cause to be performed for and on behalf of the Agency, and at the Company's sole cost and expense, each and every obligation of the Agency under and pursuant to such instruments.

Section 12.5 References to Lender, Loan or Mortgage. All references herein to Lender, Loan or Mortgage or other similar words, whether in the singular or the plural, may be in anticipation of future Loans to be made by future Lenders. Such references shall only be effective if such Loans have been made and are still outstanding. If such Loans are never made or have been repaid, such references shall not be of any force or effect.

ARTICLE XIII
ENVIRONMENTAL MATTERS

Section 13.1 Environmental Representations of the Company. Except as otherwise shown on Exhibit H attached hereto, the Company hereby represents and warrants to the Agency that:

(a) Neither the Facility nor, to the best of Company's knowledge, any property adjacent to or within the immediate vicinity of the Facility is being or has been used in violation of any applicable Environmental Law for the storage, treatment, generation, transportation, processing, handling, production or disposal of any Hazardous Substance or as a landfill or other waste management or disposal site or for military, manufacturing or industrial purposes or for the storage of petroleum or petroleum based products.

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(b) Underground storage tanks are not and have not been located on the Facility.

(c) The soil, subsoil, bedrock, surface water and groundwater of the Facility are free of Hazardous Substances, in violation of Environmental Law, other than any such substances that occur naturally.

(d) There has been no Release or threat of a Release of any Hazardous Substance in violation of any applicable law on, at or from the Facility or any property adjacent to or within the immediate vicinity of the Facility which through soil, subsoil, bedrock, surface water or groundwater migration could come to be located on or at the Facility, and the Company has not received any form of notice or inquiry from any federal, state or local governmental agency or authority, any operator, tenant, subtenant, licensee or occupant of the Facility or any property adjacent to or within the immediate vicinity of the Facility or any other person with regard to a Release or the threat of a Release of any Hazardous Substance on, at or from the Facility or any property adjacent to or within the immediate vicinity of the Facility in violation of any applicable law.

(e) All Environmental Permits necessary for the Project Work and the ownership, use or operation of the Facility have been obtained and are in full force and effect.

(f) No event has occurred with respect to the Facility which, with the passage of time or the giving of notice, or both, would constitute a violation of or non-compliance with any applicable Environmental Law or Environmental Permit.

(g) There are no agreements, consent orders, decrees, judgments, license or permit conditions or other orders or directives of any federal, state or local court, governmental agency or authority relating to the past, present or future construction, renovation, equipping, ownership, use, operation, sale, transfer or conveyance of the Facility which require any change in the present condition of the Facility or any work, repairs, construction, containment, clean up, investigations, studies, removal or remedial action or capital expenditures in order for the Facility to be in compliance with any applicable Environmental Law or Environmental Permit.

(h) There are no actions, suits, claims or proceedings, pending or threatened, which could cause the incurrence of expenses or costs of any name or description or which seek money damages, injunctive relief, remedial action or remedy that arise out of, relate to or result from (i) conditions of the Environment at, on or in the vicinity of the Facility, (ii) a violation or alleged violation of any applicable Environmental Law or non-compliance or alleged non-compliance with any Environmental Permit with respect to the Facility, (iii) the presence of any Hazardous Substance or a Release or the threat of a Release of any Hazardous Substance on, at or from the Facility or any property adjacent to or within the immediate vicinity of the Facility or (iv) human exposure to any Hazardous Substance, noises, vibrations or nuisances of whatever kind to the extent the same arise from the condition of the Facility, the Project Work or the ownership, use, operation, sale, transfer or conveyance of the Facility.

Section 13.2 Environmental Covenants of the Company. The Company hereby covenants and agrees with the Agency as follows:

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(a) The Company shall perform the Project Work and use, operate and manage the Facility in accordance with all applicable Environmental Laws and Environmental Permits, and shall cause all operators, tenants, subtenants, licensees and occupants of the Facility to perform the Project Work and to use, operate and manage the Facility in accordance with any applicable Environmental Laws and Environmental Permits, and shall not cause, allow or permit the Facility or any part thereof to be operated or used for the storage, treatment, generation, transportation, processing, handling, production, management or Disposal of any Hazardous Substances other than in accordance with all applicable Environmental Laws and Environmental Permits.

(b) The Company shall obtain and comply with, and shall cause all contractors, subcontractors, operators, tenants, subtenants, licensees and occupants of the Facility to obtain and comply with, all Environmental Permits, if any.

(c) The Company shall not cause or permit any change to be made in the present or intended Project Work or use or operation of the Facility which would (i) involve the storage, treatment, generation, transportation, processing, handling, management, production or disposal of any Hazardous Substance other than in accordance with any applicable Environmental Law, or the Project Work or use or operation of the Facility as a landfill or waste management or disposal site or for manufacturing or industrial purposes or for the storage of petroleum or petroleum based products other than in accordance with any applicable Environmental Law, (ii) violate any applicable Environmental Law, (iii) constitute a violation or non-compliance with any Environmental Permit or (iv) increase the risk of a Release of any Hazardous Substance.

(d) The Company shall promptly provide the Agency with a copy of all notifications which the Company gives or receives with respect to conditions of the Environment at or in the vicinity of the Facility, any past or present Release or the threat of a Release of any Hazardous Substance on, at or from the Facility or any property adjacent to or within the immediate vicinity of the Facility. If the Company receives or becomes aware of any such notification which is not in writing or otherwise capable of being copied, the Company shall promptly advise the Agency of such verbal, telephonic or electronic notification and confirm such notice in writing. Furthermore, upon the Company's discovery thereof, the Company shall promptly advise the Agency in writing of: (i) the presence of any Hazardous Substance on, under or about the Facility of which the Agency has not previously been advised in writing; (ii) any remedial action taken by, or on behalf of, the Company in response to any Hazardous Substance on, under or about the Facility or to any environmental proceedings of which the Company has not previously been advised in writing; and (iii) the occurrence or condition on any real property adjoining or in the vicinity of the Facility that could reasonably be expected to cause the Facility or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the Facility under any Environmental Law. The Company shall also provide the Agency with copies of all reports, analyses, notices, licenses, approvals, orders, correspondences or other written materials in its possession or control relating to the condition of the Environment at the Facility or real property or bodies of water adjoining or in the vicinity of the Facility or environmental proceedings promptly upon receipt, completion or delivery of such materials.

(e) The Company shall undertake and complete all investigations, studies, sampling and testing and all removal or remedial actions necessary to contain, remove and clean up all Hazardous Substances that are or may become present at the Facility and are required to be

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removed and/or remediated in accordance with all applicable Environmental Laws and all Environmental Permits. All remedial work shall be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the remedial work approved by any public or private agencies or persons with a legal or contractual right to such approval, (iii) with such insurance coverage pertaining to liabilities arising out of the remedial work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. In addition, the Company shall submit, or cause to be submitted, to the Agency, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed removal or other remedial work contracts and similar information prepared or received by or on behalf of the Company in connection with any remedial work, or Hazardous Substances relating to the Facility. All costs and expenses of such remedial work shall be paid by or on behalf of the Company, including, without limitation, the charges of the remedial work contractors and the consulting environmental engineer, any taxes or penalties assessed in connection with the remedial work and the Agency's out-of-pocket costs incurred in connection with monitoring or review of such remedial work. The Agency shall have the right but not the obligation to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any environmental proceedings.

(f) If at any time the Agency obtains any notice or information that the Company or the Facility, or the use or operation thereof or the Project Work may be in violation of an Environmental Law or in non-compliance with any Environmental Permit or standard, the Agency may require that a full or supplemental environmental inspection and audit report with respect to the Facility of a scope and level of detail reasonably satisfactory to the Agency be prepared by a professional environmental engineer or other qualified environmental scientist acceptable to the Agency, at the Company's sole cost and expense. Said audit may, but is not required to or limited to, include a physical inspection of the Facility, a records search, a visual inspection of any property adjacent to or within the immediate vicinity of the Facility, personnel interviews, review of all Environmental Permits and the conducting of scientific testing. If necessary to determine whether a violation of an Environmental Law exists, such inspection shall also include subsurface testing for the presence of Hazardous Substances in the soil, subsoil, bedrock, surface water and/or groundwater. If said audit report indicates the presence of any Hazardous Substance or a Release or Disposal or the threat of a Release or Disposal of any Hazardous Substance on, at or from the Facility in violation of any applicable law, the Company shall promptly undertake and diligently pursue to completion all necessary, appropriate investigative, containment, removal, clean-up and other remedial actions required by any Environmental Law, in accordance with Section 13.2(e) above. The Company hereby consents to the Agency notifying any party under such circumstances of the availability of any or all of the environmental reports and the information contained therein. The Company further agrees that the Agency may disclose such environmental reports to any governmental agency or authority if they reasonably believe that they are required to disclose any matter contained therein to such agency or authority; provided that the Agency shall give the Company at least forty-eight (48) hours prior written notice before so doing. The Company acknowledges that the Agency cannot control or otherwise assure the truthfulness or accuracy of the environmental reports, and that the release of the environmental reports, or any information contained therein, to prospective bidders at any foreclosure sale of the Facility may have a material and adverse effect upon the amount which a party may bid at such sale. The Company agrees that the Agency shall not have any liability whatsoever as a result of delivering any or all of the

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environmental reports or any information contained therein to any third party if done in good faith, and the Company hereby releases and forever discharges the Agency from any and all claims, damages, or causes of action arising out of, connected with or incidental to the delivery of environmental reports.

Section 13.3 Survival Provision. Notwithstanding anything to the contrary contained herein, the representations, warranties, covenants and indemnifications of the Company contained in this Article XIII shall survive any termination, conveyance, assignment, subleasing or defeasance of any right, title or interest of the Company in and to the Facility or in, to or under the Lease Agreement.

ARTICLE XIV
MISCELLANEOUS

Section 14.1 Notices. All notices, certificates and other communications hereunder shall be in writing and shall be either delivered personally or sent by certified mail, return receipt requested, or delivered by any national overnight express delivery service (in each case, postage or delivery charges paid by the party giving such communication) addressed as follows or to such other address as any party may specify in writing to the other:

To the Agency:

Dutchess County Industrial Development Agency
3 Neptune Road
Poughkeepsie, New York 12601
Attention: Executive Director

With a copy to:

Cappillino, Rothschild & Egan LLP
Seven Broad Street
P.O. Box 390
Pawling, New York 12564-0390
Attention: Elizabeth A. Cappillino, Esq.

To the Company:

Locust Grove Apartments LLC
P.O. Box 636
Fishkill, New York 12524
Attention: John Goetz

With a copy to:

Stenger, Glass, Hagstrom, Lindars & Iuele, LLP
1136 Route 9, Suite 2
Wappingers Falls, New York 12590
Attention: Kenneth M. Stenger, Esq.

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Notice by mail shall be effective when delivered but if not yet delivered shall be deemed effective at 12:00 p.m. on the third Business Day after mailing with respect to certified mail and one Business Day after mailing with respect to overnight mail.

Copies of all notices given either to the Agency or to the Company shall also be sent to any Lender, if such Lender shall have delivered written instructions to the Agency and the Company with the address of such Lender pursuant to Section 12.4 hereof.

Section 14.2 Binding Effect. This Lease Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns.

Section 14.3 Severability. In the event any provision of this Lease Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.4 Amendments, Changes and Modifications. This Lease Agreement may not be amended, changed, modified, altered or (except pursuant to Section 10.2 hereof) terminated except in a writing executed by the parties hereto.

Section 14.5 Execution of Counterparts. This Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.6 Applicable Law. This Lease Agreement shall be governed exclusively by the applicable laws of the State without regard or reference to its conflict of laws principles.

Section 14.7 List of Additional Equipment; Further Assurances. Upon the Completion Date with respect to the Facility and the installation of all of the Equipment therein, the Company shall prepare and deliver to the Agency, a schedule listing all of the Equipment not previously described in this Lease Agreement. If requested by the Agency, the Company shall thereafter furnish to the Agency, within sixty (60) days after the end of each calendar year, a schedule listing all of the Equipment not theretofore previously described herein or in the aforesaid schedule.

Section 14.8 Survival of Obligations. This Lease Agreement shall survive the performance of the obligations of the Company to make the payments required by Section 4.3, and all indemnities shall survive the foregoing and any termination or expiration of this Lease Agreement.

Section 14.9 Table of Contents and Section Headings Not Controlling. The Table of Contents and the headings of the several Sections in this Lease Agreement have been prepared for convenience of reference only and shall not control or affect the meaning of or be taken as an interpretation of any provision of this Lease Agreement.

Section 14.10 Waiver of Trial by Jury. The parties do hereby expressly waive all rights to trial by jury on any cause of action directly or indirectly involving the terms, covenants or conditions of this Lease Agreement or the Facility or any matters whatsoever arising out of or in any way connected with this Lease Agreement.

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(Remainder of Page Intentionally Left Blank - Signature Pages Follow)

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IN WITNESS WHEREOF, the Agency and the Company have caused this Lease Agreement to be executed in their respective names by their duly authorized representatives, all as of the day and year first above written.

DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: _____
Name: Robin D. Mack
Title: Executive Director

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

On the ___ day of August in the year 2026, before me, the undersigned, personally appeared **ROBIN D. MACK**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person or entity on behalf of which the individual acted, executed the instrument.

_____
Notary Public

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LOCUST GROVE APARTMENTS LLC,
a New York limited liability company

By:_____
Name: John Goetz
Title: Authorized Signatory

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

On the ___ day of August in the year 2026, before me, the undersigned, personally appeared **JOHN GOETZ** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person or entity on behalf of which the individual acted, executed the instrument.

_____
Notary Public

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EXHIBIT A

Legal Description of Real Property

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EXHIBIT B

Equipment

All Eligible Items acquired, constructed, renovated or installed and/or to be acquired, constructed, renovated or installed by or on behalf of the Company, in connection with the completion of the Dutchess County Industrial Development Agency's Locust Grove Apartments 2026 Project located at 2736-2738 South Road, Town of Poughkeepsie, Dutchess County, New York, bearing Tax Map Grid No. 134689-6161-03-078100-0000, and leased to the Company pursuant to the Lease Agreement.

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EXHIBIT C

Reserved.

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EXHIBIT D

Mortgage Requirements

Any Mortgage or related document which shall be entered into by the Agency and the Company shall contain the following required provisions:

Non-Recourse and Hold Harmless Provisions to be included in the Lender's Mortgage

Section ___. No Recourse Against Agency. The general credit of the Agency is not obligated or available for the payment of this Mortgage. The Mortgagee will not look to the Agency or any principal, member, director, officer or employee of the Agency with respect to the indebtedness evidenced by this Mortgage or any covenant, stipulation, promise, agreement or obligation contained herein. In enforcing its rights and remedies under this Mortgage, the Mortgagee will look solely to the mortgaged premises and/or the Company for the payment of the indebtedness secured by this Mortgage and for the performance of the provisions hereof. The Mortgagee will not seek a deficiency or other money judgment against the Agency or any principal, member, director, officer or employee of the Agency and will not institute any separate action against the Agency by reason of any default that may occur in the performance of any of the terms and conditions of this Mortgage or the Loan Documentation. This agreement on the part of the Mortgagee shall not be construed in any way so as to effect or impair the lien of this Mortgage or the Mortgagee's right to foreclose hereunder as provided by law or construed in any way so as to limit or restrict any of the rights or remedies of the Mortgagee in any foreclosure proceedings or other enforcement of payment of the indebtedness secured hereby out of and from the security given therefor. All covenants, stipulations, promises, agreements and obligations are the Agency's and not of any member, director, officer, employee or agent (except the Company) of the Agency in his or her individual capacity, and no recourse shall be had for the payment of the principal of any debt or interest thereon or for any claim based thereon or hereunder against any member, director, officer, employee or agent (except the Company) of the Agency or any natural person executing this Mortgage on behalf of the Agency. No covenant contained herein shall be deemed to constitute a debt of the State of New York or the County of Dutchess, and neither the State of New York nor the County of Dutchess shall be liable on any covenant contained herein, nor shall any obligations hereunder be payable out of any funds of the Agency.

Section ___. Hold Harmless Provisions. The Company agrees that the Agency, its directors, members, officers, agents (except the Company) and employees shall not be liable for and agrees to defend, indemnify, release and hold the Agency, its director, members, officers, agents (except the Company) and employees harmless from and against any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by, directly or indirectly, any cause whatsoever pertaining to the Facility or arising by reason of or in connection with the use thereof or under this Mortgage, or (ii) liability arising from or expense incurred by the Project Work or the Agency's acquiring, owning and leasing of the Facility, including without limiting the generality of the foregoing, all claims arising from the breach by the Company of any of its covenants contained herein and all causes of action and reasonable attorneys' fees (whether by reason of third party claims or by reason of the enforcement of any provision of the Mortgage (including, without limitation, this Section)) and any other expenses incurred in defending any claims, suits or actions which may arise as a result of the foregoing,

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provided that any such losses, damages, liabilities or expenses of the Agency are not incurred or do not result from the gross negligence or intentional or willful wrongdoing of the Agency or any of its directors, members, officers, agents (except the Company) or employees. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency, or any of its members, directors, officers, agents, or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability. The foregoing indemnities are limited only to the extent of any prohibitions imposed by law, and upon the application of such prohibition by the final judgment or decision of a competent court of law, the remaining provisions of these indemnities shall remain in full force and effect.

(b) Notwithstanding any other provisions of this Mortgage, the obligations of the Company pursuant to this Section ___ shall remain in full force and effect after the termination of this Mortgage until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters herein described may be brought and payment in full or the satisfaction of such claim, cause of action or prosecution relating to the matters herein described and the payment of all reasonable expenses and charges incurred by the Agency, or its respective members, directors, officers, agents (except the Company) and employees, relating to the enforcement of the provisions herein specified.

(c) In the event of any claim against the Agency or its members, directors, officers, agents (except the Company) or employees by any employee or contractor of the Company or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the obligations of the Company hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, disability benefits or other employee benefit acts.

Section ___. Recordation of Mortgage. The Agency covenants that it will record or cause this Mortgage to be duly recorded in all offices where recordation thereof is necessary.

Section___. Termination of Lease Agreement. Upon the termination of the Lease Agreement for any reason whatsoever, and at the sole cost and expense of the Company, the Mortgagee shall prepare, execute and deliver to the Agency and the Company, and the Agency and the Company shall execute, any documents necessary to amend the Mortgage to remove the Agency as a party thereto.

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EXHIBIT E

FORM OF SALES TAX AGENT AUTHORIZATION LETTER

SALES TAX AGENT AUTHORIZATION LETTER

EXPIRATION DATE: December 31, 2027

ELIGIBLE LOCATION:

2736-2738 South Road, Town of Poughkeepsie, Dutchess County, New York

_____ __, 20__

TO WHOM IT MAY CONCERN

Re: Dutchess County Industrial Development Agency
(Locust Grove Apartments 2026 Facility)

Ladies and Gentlemen:

The Dutchess County Industrial Development Agency (the "Agency"), by this notice, hereby advises you as follows:

1. Pursuant to a certain Lease and Project Agreement, dated as of August 1, 2026 (the "Lease Agreement"), between the Agency and LOCUST GROVE APARTMENTS LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having an address of P.O. Box 636, Fishkill, New York 12524 (the "Company"), the Agency has authorized the Company to act as its agent in connection with the Facility described therein located at the Eligible Location described above. Certain capitalized terms used herein and not defined shall have the respective meanings given to such terms in the Lease Agreement.

2. Upon the Company's request, the Agency has appointed **[insert name of Agent]** (the "Agent"), pursuant to this Sales Tax Agent Authorization Letter (the "Sales Tax Agent Authorization Letter") to act as the Agency's agent for the purpose of effecting purchases exempt from sales or use tax in accordance with the terms, provisions of this Sales Tax Agent Authorization Letter and the Lease Agreement. **The Agent should review the definitions of Eligible Items and Ineligible Items in Schedule A hereto with respect to the scope of Sales Tax Exemption provided under the Lease Agreement and hereunder.**

3. The effectiveness of the appointment of the Agent as an agent of the Agency is expressly conditioned upon the execution by the Agency of New York State Department of Taxation and Finance Form ST-60 "IDA Appointment of Project Operator or Agent" ("Form ST-60") to evidence that the Agency has appointed the Agent as its agent (the form of which is to be completed by Agent and the Company). Pursuant to the exemptions from sales and use taxes available to the Agent under this Sales Tax Agent Authorization Letter, the Agent shall avail itself of such exemptions when purchasing eligible materials and services in connection with the Facility and shall not include such taxes in its contract price, bid or reimbursable costs, as the case may be.

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4. The Agent acknowledges that the executed Form ST-60 shall not serve as a sales or use tax exemption certificate or document. No agent or project operator may tender a copy of the executed Form ST-60 to any person required to collect sales tax as a basis to make such purchases exempt from tax. No such person required to collect sales or use taxes may accept the executed Form ST-60 in lieu of collecting any tax required to be collected. THE CIVIL AND CRIMINAL PENALTIES FOR MISUSE OF A COPY OF FORM ST-60 AS AN EXEMPTION CERTIFICATE OR DOCUMENT OR FOR FAILURE TO PAY OR COLLECT TAX SHALL BE AS PROVIDED IN THE TAX LAW. IN ADDITION, THE USE BY AN AGENT, THE COMPANY, OR OTHER PERSON OR ENTITY OF SUCH FORM ST-60 AS AN EXEMPTION CERTIFICATE OR DOCUMENT SHALL BE DEEMED TO BE, UNDER ARTICLES TWENTY-EIGHT AND THIRTY-SEVEN OF THE TAX LAW, THE ISSUANCE OF A FALSE OR FRAUDULENT EXEMPTION CERTIFICATE OR DOCUMENT WITH THE INTENT TO EVADE TAX.

5. As agent for the Agency, the Agent agrees that it will present to each seller or vendor a completed and signed **NYSDTF Form ST-123 "IDA Agent or Project Operator Exempt Purchase Certificate"** or such additional or substitute form as is adopted by NYSDTF for use in completing purchases that are exempt from Sales and Use Taxes ("Form ST-123") for each contract, agreement, invoice, bill or purchase order entered into by the Agent, as agent for the Agency, for the construction, repair and equipping of the Facility. Form ST-123 requires that each seller or vendor accepting Form ST-123 identify the Facility on each bill and invoice and invoice for purchases and indicate on the bill or invoice that the Agency or Agent or Company, as project operator of the Agency, was the purchaser. For the purposes of indicating who the purchaser is, each bill or invoice should state, "I, [Company/Agent], certify that I am duly appointed agent of the Dutchess County Industrial Development Agency and that I am purchasing the tangible personal property or services for use in the Locust Grove Apartments 2026 Project located at 2736-2738 South Road, Town of Poughkeepsie, Dutchess County, New York, bearing Tax Map Grid No. 134689-6161-03-078100-0000, IDA Project Number 1302[____]." The Agent shall complete Form ST-123 as follows: (i) the "Project information" section of Form ST-123 should be completed using the name and address of the Facility as indicated on the Form ST-60 used to appoint the Agent; (ii) the date that the Agent was appointed as an agent should be completed using the date of the Agent's Sales Tax Agent Authorization Letter; and (iii) the "Exempt purchases" section of Form ST-123 should be completed by marking "X" in box "A" only.

6. The Agent agrees to comply with the terms and conditions of the Lease Agreement. The Agent must retain for at least six (6) years from the date of expiration of its contract copies of (a) its contract with the Company to provide services in connection with the Facility, (b) all contracts, agreements, invoices, bills or purchases entered into or made by such Agent using the Letter of Authorization for Sales Tax Exemption, and (c) the executed Form ST-60 appointing the Agent as an agent of the Agency, and shall make such records available to the Agency upon reasonable notice. This provision shall survive the expiration or termination of this Sales Tax Agent Authorization Letter.

7. In order to assist the Company in complying with its obligation to file New York State Department of Taxation and Finance Form ST-340 "Annual Report of Sales and Use Tax Exemptions Claimed by Agent/Project Operator of Industrial Development Agency/Authority"

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("Form ST-340"), the Agent covenants and agrees that it shall file semi-annually with the Company and the Agency (no later than January 15th and July 15th of each calendar year in which it has claimed sales and use tax exemptions in connection with the Facility) a written statement of all sales and use tax exemptions claimed by such Agent for the preceding six-month period (ending on June 30th or December 31st, as applicable) in connection with the Facility by completing and submitting to the Company and the Agency the **Sales Tax Registry** attached hereto as **Schedule B**. If the Agent fails to comply with the foregoing requirement, the Agent shall immediately cease to be the agent for the Agency in connection with the Facility (such agency relationship being deemed to be immediately revoked) without any further action of the parties, the Agent shall be deemed to have automatically lost its authority to make purchases as agent for the Agency, and shall desist immediately from all such activity.

8. The Agent agrees that if it fails to comply with the requirements for sales and use tax exemptions, as described in this Sales Tax Agent Authorization Letter, it shall pay any and all applicable Company Sales Tax Savings and any interest and penalties thereon. This provision shall survive the expiration or termination of this Sales Tax Agent Authorization Letter.

9. **Special Provisions Relating to State Sales Tax Savings**.

(a) The Agent covenants and agrees to comply, and to cause each of its contractors, subcontractors, persons or entities to comply, with the requirements of General Municipal Law Sections 875(1) and (3) (the "Special Provisions"), as such provisions may be amended from time to time. In the event of a conflict between the other provisions of this Sales Tax Agent Authorization Letter or the Lease Agreement and the Special Provisions, the Special Provisions shall control.

(b) The Agent acknowledges and agrees that pursuant to General Municipal Law Section 875(3) the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Agent State Sales Tax Savings taken or purported to be taken by the Agent or any other person or entity acting on behalf of the Agent to which Agent or the Company is not entitled or which are in excess of the Maximum Company Sales Tax Savings Amount or which are for property or services not authorized or taken in cases where the Company, any Agent or any other person or entity acting on behalf of the Company or the Agent failed to comply with a material term or condition to use property or services in the manner required by this Sales Tax Agent Authorization Letter or the Lease Agreement. The Company shall, and shall require each Agent and any other person or entity acting on behalf of the Company, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such State Sales Tax Savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the "Commissioner") to assess and determine State Sales and Use Taxes due from the Company under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

10. Subject to the provisions of Section 9 hereof, in the event that the Agent shall utilize the Sales Tax Exemption in violation of the provisions of the Lease Agreement or this Sales Tax Agent Authorization Letter, the Agent shall promptly deliver notice of same to the Company and the Agency, and the Agent shall, upon demand by the Agency, pay to or at the direction of the

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Agency a return of sales or use tax exemptions in an amount equal to all such unauthorized sales or use tax exemptions together with interest at the rate of twelve percent (12%) per annum compounded daily from the date and with respect to the dollar amount for which each such unauthorized sales or use tax exemption was availed of by the Agent.

11. Upon request by the Agency with reasonable notice to the Agent, the Agent shall make available at reasonable times to the Agency all such books, records, contracts, agreements, invoices, bills or purchase orders of the Agent, and require all appropriate officers and employees of the Agent to respond to reasonable inquiries by the Agency as shall be necessary (y) to indicate in reasonable detail those costs for which the Agent shall have utilized the Sales Tax Exemption and the dates and amounts so utilized, and (z) to permit the Agency to determine any amounts owed by the Agent under Section 10.

12. By execution of this Sales Tax Agent Authorization Letter, the Agent agrees to accept the terms hereof and represent and warrant to the Agency that the use of this Sales Tax Agent Authorization Letter by the Agent is strictly for the purposes stated herein.

13. The Agent acknowledges that this Sales Tax Agent Authorization Letter will terminate on the date (the "Termination Date") that is the earlier of (i) the Expiration Date referred to above, and (ii) the expiration or termination of the Lease Agreement. Upon the Termination Date, the agency relationship between the Agency and the Agent shall terminate.

(Remainder of Page Intentionally Left Blank -Signature Page Follows)

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The signature of a representative of the Agent where indicated below will indicate that the Agent accepted the terms hereof.

DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:_____
Name:
Title:

ACCEPTED AND AGREED TO BY:

[*AGENT*]

By: _____
Name:
Title:

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Schedule A

To
SALES TAX AGENT AUTHORIZATION LETTER

Set forth below is a description of items that are eligible for the Sales Tax Exemption

Eligible Items shall mean the following items of personal property and services, but excluding any Ineligible Items, with respect to which the Agent shall be entitled to claim a Sales Tax Exemption in connection with the Facility:

(i) purchases of materials, goods, personal property and fixtures and supplies that will be incorporated into and made an integral component part of the Facility;

(ii) purchases or leases of any item of materials, goods, machinery, equipment, furniture, furnishings, trade fixtures and other tangible personal property having a useful life of one year of more;

(iii) with respect to the eligible items identified in (ii) above: purchases of freight, installation, maintenance and repair services required in connection with the shipping, installation, use, maintenance or repair of such items; provided that maintenance shall mean the replacement of parts or the making of repairs;

(iv) purchases of materials, goods and supplies that are to be used and substantially consumed in the course of construction or renovation of the Facility (but excluding fuel, materials or substances that are consumed in the course of operating machinery and equipment or parts containing fuel, materials or substances where such parts must be replaced whenever the substance is consumed); and

(v) leases of machinery and equipment solely for temporary use in connection with the construction or renovation of the Facility.

Ineligible Items shall mean the following items of personal property and services with respect to which the Agent shall not be entitled to claim a Sales Tax Exemption in connection with the Facility:

(i) vehicles of any sort, including watercraft and rolling stock;

(ii) personalty having a useful life of one year or less;

(iii) any cost of utilities, cleaning services or supplies or other ordinary operating costs;

(iv) ordinary office supplies such as pencils, paper clips and paper;

(v) any materials or substances that are consumed in the operation of machinery;

(vi) equipment or parts containing materials or substances where such parts must be replaced whenever the substance is consumed; and

(vii) maintenance of the type as shall constitute janitorial services.

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Schedule B

To
SALES TAX AGENT AUTHORIZATION LETTER
SALES TAX REGISTRY

Please Complete: **REPORTED PERIOD**: SEMI-ANNUAL PERIOD FROM [JANUARY 1][JULY 1], 20__ to [JUNE 30][DECEMBER 31], 20__

Description of Item (include serial #, if applicable)	Location of Item	Dollar Amount	Vendor Description	Date of Payment	Purchase order or invoice number	Sales Tax Savings
TOTAL SALES TAX SAVINGS REALIZED DURING THE SEMI-ANNUAL REPORTED PERIOD:						

Certification: I, the undersigned, an authorized officer or principal owner of the company identified below, hereby certify to the best of my knowledge and belief that all information contained in this report is true and complete. The information reported in this form includes all Company Sales Tax Savings realized by the company identified below and its principals, affiliates, tenants, subtenants, contractors and subcontractors. This form and information provided pursuant hereto may be disclosed to the Dutchess County Industrial Development Agency ("DCIDA"), and may be disclosed by DCIDA in connection with the administration of the programs by DCIDA; and, without limiting the foregoing, such information may be included in reports or disclosure required by law.

Name of Agent: _____

Signature By: _____

Name (print): _____

Title: _____

Date: _____

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EXHIBIT F

Sales Tax Registry

Please Complete: **REPORTED PERIOD**: ANNUAL PERIOD FROM JULY 1, 20__ to JUNE 30, 20__

Description of Item (incl. Serial #,if applicable)	**Location of Item**	**Dollar Amount**	**Vendor Description**	**Date of Payment**	**Purchase order or invoice number**	**Sales Tax Savings**
SEMI-ANNUAL PERIOD FROM JULY 1, [____] to DECEMBER 31, [____]						
TOTAL SALES TAX SAVINGS REALIZED DURING THE SEMI-ANNUAL PERIOD FROM JULY 1, [____] to DECEMBER 31, [____]:						
SEMI-ANNUAL PERIOD FROM JANUARY 1, [____] to JUNE 30, [____]						
TOTAL SALES TAX SAVINGS REALIZED DURING THE SEMI-ANNUAL PERIOD FROM JANUARY 1, [____] to JUNE 30, [____]:						
TOTAL SALES TAX SAVINGS REALIZED DURING THE ANNUAL REPORTED PERIOD:						

Certification: I, the undersigned, an authorized officer or principal owner of the Company, hereby certify to the best of my knowledge and belief that all information contained in this report is true and complete. The information reported in this form includes all Company Sales Tax Savings realized by the Company below and its principals, affiliates, tenants, subtenants, contractors, subcontractors and any other person or entity pursuant to the LEASE AND PROJECT AGREEMENT, and any SALES TAX AGENT AUTHORIZATION LETTER issued to any other person or entity at the direction of the Company, by the Dutchess County Industrial Development Agency ("DCIDA"). This form and information provided pursuant hereto may be disclosed by DCIDA in connection with the administration of the programs by DCIDA; and, without limiting the foregoing, such information may be included in reports or disclosure required by law.

Company Name: _____

Signature By: _____

Name (print): _____

Title: _____

Date: _____

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EXHIBIT G

Reserved.

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EXHIBIT H

EXCEPTIONS TO REPRESENTATIONS AND WARRANTIES OF COMPANY

[NONE.]

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EXHIBIT I

FORM OF TENANT AGENCY COMPLIANCE AGREEMENT

THIS TENANT AGENCY COMPLIANCE AGREEMENT, dated as of _____, 20__, is between the DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, having its office at 3 Neptune Road, Poughkeepsie, New York 12601 (the "**Agency**"), and _____, a [banking corporation] [business corporation] [general partnership] [limited liability company] [limited liability partnership] [limited partnership] duly organized and validly existing under the laws of the State of _____ having its principal office at _____ (the "**Tenant**").

R E C I T A L S

WHEREAS, the Agency was created by Chapter 335 of the Laws of 1977 of the State of New York, as amended, pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York (collectively, the "**Act**"); and

WHEREAS, the Agency has agreed to assist LOCUST GROVE APARTMENTS LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having an address of P.O. Box 636, Fishkill, New York 12524 (the "**Company**") in (a) the acquisition of an approximately 2.46-acre parcel of land located at 2736-2738 South Road, Town of Poughkeepsie, County of Dutchess, State of New York, bearing Tax Map Grid No. 134689-6161-03-078100-0000, as more particularly described in Exhibit A attached hereto (the "**Land**"), and the construction of an approximately 43,424 square foot multifamily residential community consisting of approximately 32 dwelling units in four (4) two-story residential buildings, along with site-wide infrastructure improvements (collectively, the "**Improvements**"), and (b) the acquisition and installation of certain equipment and personal property (the "**Equipment**", and together with the Land and the Improvements, the "**Facility**"), which Facility is to be leased by the Agency to the Company for use as a multifamily residential rental facility (the "**Project**"); and

WHEREAS, the Agency acquired a leasehold interest in the Land and the Improvements, all pursuant to the Company Lease Agreement, dated as of August 1, 2026 (the "**Company Lease**"), by and between the Agency and the Company; and

WHEREAS, the Agency leased the Facility to the Company pursuant to the Lease and Project Agreement, dated as of August 1, 2026 (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Company intends to sublease a portion of the Facility to be used as _____ (the "**Demised Premises**") to the Tenant pursuant to a [Tenant Lease Agreement], dated as of _____, 20__ (the "**Tenant Lease Agreement**"), by and between the Company and the Tenant, which may be amended from time to time.

NOW, THEREFORE, the parties hereto hereby agree as follows:

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ARTICLE I
REPRESENTATIONS AND COVENANTS OF TENANT

Section 2.1 Representations and Covenants of Tenant. The Tenant makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The Tenant is a [banking corporation] [business corporation] [general partnership] [limited liability company] [limited liability partnership] [limited partnership] duly organized and validly existing under the laws of the State of _____ [*and authorized to transact business in the State of New York*], and in good standing under the laws of the State of New York[, and the State of [____]] and has full legal right, power and authority to execute, deliver and perform this Tenant Agency Compliance Agreement. This Tenant Agency Compliance Agreement has been duly authorized, executed and delivered by the Tenant.

(b) To the best of the Tenant's knowledge, neither the execution and delivery of this Tenant Agency Compliance Agreement nor the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions hereof will conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any law or ordinance of the State or any political subdivision thereof, the Tenant's organizational documents, as amended, or any restriction or any agreement or instrument to which the Tenant is a party or by which it is bound.

(c) Any and all leasehold improvements undertaken by the Tenant with respect to the Demised Premises and the design, acquisition, construction, renovation, equipping and operation thereof by the Tenant will conform in all material respects with all applicable zoning, planning, building and environmental laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Facility. The Tenant shall defend, indemnify and hold harmless the Agency from any liability or expenses, including reasonable attorneys' fees, resulting from any failure by the Tenant to comply with the provisions of this subsection.

(d) The Tenant Agency Compliance Agreement constitutes a legal, valid and binding obligation of the Tenant enforceable against the Tenant in accordance with its terms.

(e) Under penalty of perjury, the Tenant certifies that it is in substantial compliance with all local, state, and federal tax, worker protection and environmental laws, rules and regulations.

ARTICLE II
INSURANCE

Section 2.1 Insurance Required. At all times throughout the Lease Term, the Tenant shall, at its sole cost and expense, maintain or cause to be maintained insurance against such risks, and for such amounts, as are customarily insured against by businesses of like size and type and shall pay, as the same become due and payable, all premiums with respect thereto. Such insurance shall include, without limitation, the following (but without duplication of insurance provided by the Company pursuant to the Lease Agreement covering the same risks and insured(s)):

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(a) Insurance against loss or damage by fire, lightning and other casualties customarily insured against, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the completed Improvements, exclusive of footings and foundations, as determined by a recognized appraiser or insurer selected by the Tenant, but in no event less than $1,000,000. During the construction of the Facility, such policy shall be written in the so-called "Builder's Risk Completed Value Non-Reporting Form" and shall contain a provision granting the insured permission to complete and/or occupy.

(b) Workers' compensation insurance, disability benefits insurance and each other form of insurance that the Tenant is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Tenant or any permitted sublessee who are located at or assigned to the Facility. This coverage shall be in effect from and after the date any such employees first occupy the Facility.

(c) Insurance protecting the Agency and the Tenant against loss or losses from liability imposed by law or assumed in any written contract (including the contractual liability assumed by the Tenant under Section 3.2 hereof) or arising from personal injury, including bodily injury or death, or damage to the property of others, caused by an accident or other occurrence, with a limit of liability of not less than $1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage), and blanket excess liability coverage, in an amount not less than $5,000,000 combined single limit or equivalent, protecting the Agency and the Tenant against any loss or liability or damage for personal injury, including bodily injury or death, or property damage. This coverage shall also be in effect during any construction or renovation period with respect to the Demised Premises.

(d) During any construction period with respect to the Demised Premises (and for at least one year thereafter in the case of Products and Completed Operations as set forth below), the Tenant shall cause the general contractor to carry liability insurance of the type and providing the minimum limits set forth below:

(i) Workers' compensation and employer's liability with limits in accordance with applicable law.

(ii) Comprehensive general liability providing coverage for:

Premises and Operations
Products and Completed Operations
Owners Protective
Contractors Protective
Contractual Liability
Personal Injury Liability
Broad Form Property Damage
(including completed operations)
Explosion Hazard
Collapse Hazard
Underground Property Damage Hazard

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Such insurance shall have a limit of liability of not less than $1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(iii) Business auto liability, including all owned, non-owned and hired autos, with a limit of liability of not less than $1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(iv) Excess "umbrella" liability providing liability insurance in excess of the coverages in (i), (ii) and (iii) above with a limit of not less than $5,000,000.

Section 2.2 Additional Provisions Respecting Insurance.

(a) All insurance required by this Tenant Agency Compliance Agreement shall be procured and maintained in financially sound and generally recognized responsible insurance companies authorized to write such insurance in the State and selected by the entity required to procure the same. The company issuing the policies required by Section 2.1(a) hereof shall be rated "A" or better by A.M. Best Co., Inc. in Best's Key Rating Guide. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the procuring entity is engaged. All policies of insurance required by Section 2.1 hereof shall provide for at least thirty (30) days prior written notice to the Agency of the restriction, cancellation or modification thereof. The policy evidencing the insurance required by Section 2.1(c) hereof shall name the Agency as an additional insured. All policies evidencing the insurance required by Section 2.1 (d)(ii) and (iv) shall name the Agency and the Tenant as additional insureds.

(b) The certificate of insurance required by Section 2.1(c) hereof shall be delivered to the Agency on or before the date hereof. A copy of the certificates of insurance required by Section 2.1(d)(ii) and (iv) hereof shall be delivered to the Agency on or before the commencement of any construction or renovation of the Demised Premises. The Tenant shall deliver to the Agency before the first Business Day of each calendar year thereafter a certificate dated not earlier than the immediately preceding month reciting that there is in full force and effect, with a term covering the current year of the Tenant's insurance policy, insurance of the types and in the amounts required by Section 2.1 hereof and complying with the additional requirements of Section 2.2(a) hereof. Prior to the expiration of each such policy or policies, the Tenant shall furnish to the Agency and any other appropriate Person a new policy or policies of insurance or evidence that such policy or policies have been renewed or replaced or are no longer required by this Tenant Agency Compliance Agreement. The Tenant shall provide such further information with respect to the insurance coverage required by this Tenant Agency Compliance Agreement as the Agency may from time to time reasonably require.

Section 2.3 Application of Net Proceeds of Insurance. The Net Proceeds of the insurance carried pursuant to the provisions of Section 2.1(c) and (d) hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid. The Net Proceeds of the insurance carried pursuant to the provisions of Section 2.1(a) hereof shall be applied in accordance with the provisions of the Tenant Lease Agreement.

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Section 2.4 Right of Agency to Pay Insurance Premiums. If the Tenant fails to maintain or cause to be maintained any insurance required to be maintained by Section 2.1 hereof, the Agency may pay or cause to be paid the premium for such insurance. No such payment shall be made by the Agency until at least ten (10) days shall have elapsed since notice shall have been given by the Agency to the Tenant. No such payment by the Agency shall affect or impair any rights of the Agency hereunder arising in consequence of such failure by the Tenant. The Tenant shall, on demand, reimburse the Agency for any amount so paid pursuant to this Section, together with interest thereon from the date of payment of such amount by the Agency.

ARTICLE III
SPECIAL COVENANTS

Section 3.1 No Warranty of Condition or Suitability by Agency. THE AGENCY HAS MADE AND MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, FITNESS, DESIGN, OPERATION OR WORKMANSHIP OF ANY PART OF THE FACILITY, ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OR CAPACITY OF THE MATERIALS IN THE FACILITY, OR THE SUITABILITY OF THE DEMISED PREMISES FOR THE PURPOSES OR NEEDS OF THE TENANT OR THE EXTENT TO WHICH FUNDS AVAILABLE TO THE TENANT WILL BE SUFFICIENT TO PAY THE COST OF COMPLETION OF THE DEMISED PREMISES. THE TENANT ACKNOWLEDGES THAT THE AGENCY IS NOT THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT NOR A DEALER THEREIN. THE TENANT, ON BEHALF OF ITSELF IS SATISFIED THAT THE DEMISED PREMISES IS SUITABLE AND FIT FOR PURPOSES OF THE TENANT. THE AGENCY SHALL NOT BE LIABLE IN ANY MANNER WHATSOEVER TO THE TENANT OR ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE CAUSED, DIRECTLY OR INDIRECTLY, BY THE PROPERTY OF THE FACILITY OR THE USE OR MAINTENANCE THEREOF OR THE FAILURE OF OPERATION THEREOF, OR THE REPAIR, SERVICE OR ADJUSTMENT THEREOF, OR BY ANY DELAY OR FAILURE TO PROVIDE ANY SUCH MAINTENANCE, REPAIRS, SERVICE OR ADJUSTMENT, OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE THEREOF OR FOR ANY LOSS OF BUSINESS HOWSOEVER CAUSED.

Section 3.2 Hold Harmless Provisions.

(a) The Tenant agrees that the Agency and its directors, members, officers, agents (except the Company) and employees shall not be liable for, and agrees to defend, indemnify, release and hold the Agency and its directors, members, officers, agents and employees harmless from and against, any and all (i) liability for loss or damage to Property or injury to or death of any and all Persons that may be occasioned by, directly or indirectly, any cause whatsoever pertaining to the Demised Premises or to common areas or other portions of the Facility to which the Tenant has regular access (such areas, together with the Demised Premises, are hereinafter referred to as the "**Tenant Premises**"), or arising by reason of or in connection with the occupation or the use thereof or the presence of any Person or Property on, in or about the Tenant Premises, and (ii) liability arising from or expense incurred in connection with the Agency's participation in the subleasing of the Demised Premises to the Tenant, including, without limiting the generality of the foregoing, all claims arising from the breach by the Tenant of any of its covenants contained herein,

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the exercise by the Tenant of any authority conferred upon it pursuant to this Tenant Agency Compliance Agreement and all causes of action and reasonable attorneys' fees (whether by reason of third party claims or by reason of the enforcement of any provision of this Tenant Agency Compliance Agreement (including without limitation this Section) or any other documents delivered by the Agency in connection with this Tenant Agency Compliance Agreement), and any other expenses incurred in defending any claims, suits or actions which may arise as a result of any of the foregoing, to the extent that any such losses, damages, liabilities or expenses of the Agency are not incurred and do not result from the gross negligence or intentional or willful wrongdoing of the Agency or any of its directors, members, agents or employees. Except as otherwise provided herein, the foregoing indemnities shall apply notwithstanding the fault or negligence in part of the Agency, or any of its members, directors, officers, agents or employees, and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability. The foregoing indemnities are limited only to the extent of any prohibitions imposed by law, and upon the application of any such prohibition by the final judgment or decision of a competent court of law, the remaining provisions of these indemnities shall remain in full force and effect.

(b) Notwithstanding any other provisions of this Tenant Agency Compliance Agreement, the obligations of the Tenant pursuant to this Section shall remain in full force and effect after the termination of this Tenant Agency Compliance Agreement until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters herein described may be brought, and payment in full or the satisfaction of such claim, cause of action or prosecution relating to the matters herein described and the payment of all expenses and charges incurred by the Agency or its members, directors, officers, agents and employees relating to the enforcement of the provisions herein specified.

(c) In the event of any claim against the Agency or its members, directors, officers, agents or employees by any employee or contractor of the Tenant or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the obligations of the Tenant hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, disability benefits or other employee benefit acts.

Section 3.3 Right to Inspect Demised Premises. The Agency and its duly authorized agents shall have the right at all reasonable times and upon reasonable prior written notice to inspect the Demised Premises.

Section 3.4 Qualification as Project.

(a) The Tenant will not take any action, or fail to take any action, which action or failure to act would cause the Facility not to constitute a "project" as such quoted term is defined in the Act. Without limiting the generality of the foregoing, the Tenant will in no event use the Demised Premises in such a way as to cause or permit the Facility to be used in violation of Section 862(2)(a) of the Act.

(b) The occupation of the Demised Premises has not and will not result in the removal of a facility or plant of the Tenant 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 Tenant located within the State.

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Section 3.5 Compliance with Orders, Ordinances, Etc.

(a) The Tenant, throughout the Lease Term, agrees that it will promptly comply, and cause any sublessee of the Tenant or occupant of the Demised Premises which is occupying the Demised Premises by permission of the Tenant to comply, with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Facility or the Demised Premises, or to the acquisition, construction and equipping of the Demised Premises, or to any use, manner of use or condition of the Facility or any part of the Demised Premises, of all federal, state, county, municipal and other governments, departments, commissions, boards, courts, authorities, officials and officers having jurisdiction of the Facility or any part thereof, and companies or associations insuring the premises.

(b) The Tenant shall keep or cause the Demised Premises to be kept free of Hazardous Substances. Without limiting the foregoing, the Tenant shall not cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Substances, except in compliance with all applicable federal, state and local laws or regulations, nor shall the Tenant cause or permit, as a result of any intentional or unintentional act or omission on the part of the Tenant or any of its contractors, subcontractors or tenants, a release of Hazardous Substances onto the Facility or onto any other property. The Tenant shall comply with, and ensure compliance by all of its contractors, subcontractors and subtenants with, all applicable federal, state and local environmental laws, ordinances, rules and regulations, whenever and by whomever triggered, and shall obtain and comply with, and ensure that all of its contractors, subcontractors and subtenants obtain and comply with, any and all approvals, registrations or permits required thereunder. The Tenant shall (i) conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions necessary to clean up and remove all Hazardous Substances released, stored, generated or used by it on, from or affecting the Demised Premises (A) in accordance with all applicable federal, state and local laws, ordinances, rules, regulations and policies, (B) to the satisfaction of the Agency, and (C) in accordance with the orders and directives of all federal, state and local governmental authorities; and (ii) defend, indemnify and hold harmless the Agency, its employees, agents, officers, members and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to (A) the presence, disposal, release or threatened release of any Hazardous Substances which are on, from or affecting the soil, water, vegetation, buildings, personal property, persons, animals or otherwise, (B) any bodily injury, personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Substances, (C) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Substances, or (D) any violation of laws, orders, regulations, requirements or demands of government authorities, or of any policies or requirements of the Agency, which are based upon or in any way related to such Hazardous Substances, and in all cases which result from the intentional or unintentional act or omission of the Tenant or any of its contractors, subcontractors or subtenants, including, without limitation, reasonable attorney and consultant fees, investigation and laboratory fees, court costs and litigation expenses. The provisions of this Section shall be in addition to any and all other obligations and liabilities the Tenant may have to the Agency at common law and shall survive the transactions contemplated herein.

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(c) Notwithstanding the provisions of subsections (a) and (b) above, the Tenant may in good faith contest the validity or the applicability of any requirement of the nature referred to in such subsections (a) and (b) by appropriate legal proceedings conducted in good faith and with due diligence. In such event, the Tenant may fail to comply with the requirement or requirements so contested during the period of such contest and any appeal therefrom, unless the Agency shall notify the Tenant that, by failure to comply with such requirement or requirements, the Facility or any part thereof may be subject to loss, penalty or forfeiture, in which event the Tenant shall promptly take such action with respect thereto or provide such security as shall be reasonably satisfactory to the Agency. If at any time the then existing use or occupancy of the Demised Premises shall, pursuant to any zoning or other law, ordinance or regulation, be permitted only so long as such use or occupancy shall continue, the Tenant shall use reasonable efforts not to cause or permit such use or occupancy by the Tenant to be discontinued without the prior written consent of the Agency, which consent shall not be unreasonably withheld.

(d) Notwithstanding the provisions of this Section, if, because of a breach or violation of the provisions of subsection (a) or (b) above (without giving effect to subsection (c)), the Agency or any of its members, directors, officers, agents or employees shall be threatened with a fine, liability, expense or imprisonment, then, upon notice from the Agency, the Tenant shall immediately provide legal protection or pay an amount or post a bond in an amount necessary, in the opinion of the Agency and of its members, directors, officers, agents and employees, to the extent permitted by applicable law, to remove the threat of such fine, liability, expense or imprisonment.

(e) Notwithstanding any provisions of this Section, the Agency retains the right to defend itself in any action or actions which are based upon or in any way related to such Hazardous Substances. In any such defense of itself, the Agency shall select its own counsel, and any and all costs of such defense, including, without limitation, reasonable attorney and consultant fees, investigation and laboratory fees, court costs and litigation expenses, shall be paid by the Tenant.

Section 3.6 Agreement to Provide Information. Annually, the Tenant shall provide the Agency with a certified statement and documentation (i) enumerating the FTE jobs, by category, retained and/or created at the Facility as a result of the Agency's financial assistance and (ii) indicating the fringe benefits and salary averages or ranges for such categories of FTE jobs created and/or retained.[1] The Tenant further agrees to provide and certify or cause to be provided and certified whenever requested by the Agency any other information concerning the Tenant, its respective finances, its respective operations, its respective employment and its affairs necessary to enable the Agency to make any report required by law, governmental regulation, including, without limitation, any reports required by the Act, the Public Authorities Accountability Act of 2005, or the Public Authorities Reform Act of 2009, each as amended from time to time, or any other reports required by the New York State Authority Budget Office or the Office of the State Comptroller, or any of the Agency Documents. Such information shall be provided within thirty (30) days following written request from the Agency.

Section 3.7 Employment Opportunities; Notice of Jobs. The Tenant covenants and agrees that, in consideration of the participation of the Agency in the transactions contemplated

[1]Cannot be removed or modified; required by GML Section 859-a(6)(b).

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herein, it will, except as otherwise provided by collective bargaining contracts or agreements to which it is a party, cause any new employment opportunities created in connection with the Demised Premises to be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300), as superseded by the Workforce Innovation and Opportunity Act (PL. 113-128), in which the Facility is located (collectively, the "**Referral Agencies**"). The Tenant also agrees that it will, except as otherwise provided by collective bargaining contracts or agreements to which it is a party, where practicable, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies.

Section 3.8 Subleasing.

(a) In accordance with Section 862(1) of the Act, the Demised Premises shall not be occupied by a sublessee whose tenancy would result in the removal of a facility or plant of the proposed sublessee from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of such sublessee located within the State; provided, however, that neither restriction shall apply if the Agency shall determine:

(i) that such occupation of the Demised Premises is reasonably necessary to discourage the proposed sublessee from removing such other plant or facility to a location outside the State, or

(ii) that such occupation of the Demised Premises is reasonably necessary to preserve the competitive position of the proposed sublessee in its respective industry.

(b) The Tenant may not assign the Tenant Lease Agreement or sub-sublease the Demised Premises without the prior written consent of the Agency. Any assignment or sub-sublease shall conform with the restrictions and requirements set forth in Section 9.3 of the Lease Agreement.

Section 3.9 Approval of Tenant Lease Agreement. The Agency hereby approves the subleasing of the Facility by the Company to the Tenant pursuant to the terms of the Tenant Lease Agreement.

Section 3.10 Definitions. All capitalized terms used in this Tenant Agency Compliance Agreement and not otherwise defined herein shall have the meanings assigned thereto in the Schedule of Definitions attached to the Lease Agreement as Schedule A.

Section 3.11 Execution of Counterparts. This Tenant Agency Compliance Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(Remainder of Page Intentionally Left Blank – Signature Page Follows)

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IN WITNESS WHEREOF, the Agency and the Tenant have caused this Tenant Agency Compliance Agreement to be executed in their respective names by their duly authorized representatives, all as of _____, 20__.

DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By:_____
Name:
Title:

[NAME OF ENTITY]

By:_____
Name:
Title:

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EXHIBIT J

PROJECT COMPLETION CERTIFICATE OF COMPANY AS REQUIRED BY SECTION 3.6 OF THE LEASE AGREEMENT

The undersigned, an Authorized Representative (as defined in the Lease Agreement referred to below) of LOCUST GROVE APARTMENTS LLC (the "**Company**"), a limited liability company organized and existing under the laws of the State of New York, HEREBY CERTIFIES that this Certificate is being delivered in accordance with the provisions of Section 3.6 of that certain Lease and Project Agreement, dated as of August 1, 2026 (the "**Lease Agreement**"), between the Dutchess County Industrial Development Agency (the "**Agency**") and the Company. If the Company's Final Project Cost Budget deviates materially (more than ten percent (10%)) from the information provided in the Project Application Information, the Company shall provide a written statement explaining the difference to the Agency.

THE COMPANY HEREBY FURTHER CERTIFIES THAT (capitalized terms used but not defined herein shall have the respective meanings assigned to such terms in the Lease Agreement):

(i) the Project Work has been completed in accordance with the Plans and Specifications therefor;

(ii) attached hereto as Exhibit A is a copy of one of the following (check only one and attach a copy of the indicated document):

- ☐ certificate of occupancy, or
- ☐ temporary certificate of occupancy, or
- ☐ amended certificate of occupancy, or
- ☐ letter of no objection;

(iii) there is no certificate, license, permit, written approval or consent or other document required to permit the occupancy, operation and use of the Facility that has not already been obtained or received, except for such certificates, licenses, permits, authorizations, written approvals and consents that will be obtained in the ordinary course of business and the issuance of which are ministerial in nature, which certificates, licenses, permits, authorizations, written approvals and consents are attached hereto as Exhibit B;

(iv) check as applicable:

- ☐ all costs for Project Work have been paid, or
- ☐ all costs for Project Work have been paid except for
  - ☐ amounts not yet due and payable (attach itemized list) and/or
  - ☐ amounts the payments for which are being contested in good faith (attach itemized list with explanations);

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(v) attached hereto as Exhibit C is the Final Project Cost Budget, including a comparison with the project cost budget information listed in the Project Application Information; and

(vi) there are no municipal violations outstanding on the premises.

This Certificate is given without prejudice to any rights of the Company against third parties existing on the date hereof or which may subsequently come into being and no Person other than the Agency may benefit from this Certificate.

IN WITNESS WHEREOF, the undersigned has hereunto set its hand this _____ day of _____, ____.

LOCUST GROVE APARTMENTS LLC

By:_____
Name:
Title:

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Exhibit A

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Exhibit B

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Exhibit C

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EXHIBIT K

ANNUAL COMPLIANCE CERTIFICATE

[_____], being duly sworn, deposes and says:

1. That s/he is the duly appointed [_____] of LOCUST GROVE APARTMENTS LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having an address of P.O. Box 636, Fishkill, New York 12524 (the "**Company**").

2. That the Company has previously entered into a straight-lease transaction with the Dutchess County Industrial Development Agency pursuant to a certain Company Lease Agreement, dated as of August 1, 2026 (the "**Company Lease**") whereby the Company leased the Facility (as such term is defined in the hereinafter defined Lease Agreement) to the Agency, and a Lease and Project Agreement, dated as of August 1, 2026 (the "**Lease Agreement**"), whereby the Agency subleased and leased the Facility to the Company.

3. That the Company is not in default under the Lease Agreement and that no Event of Default exists under the Lease Agreement or any other Company Document (as such term is defined in the Lease Agreement).

4. That there is no action or proceeding pending or, to the best of the Company's knowledge, after diligent inquiry, threatened, by or against the Company by or before any court or administrative agency that would adversely affect the ability of the Company to perform its obligations under the Lease Agreement or any other Company Document.

5. That the Company has not received written notice of default in payment of any taxes, payments-in-lieu-of-taxes, sewer rents or water charges which have not been paid, unless such default is currently being contested with due diligence in proceedings in a court or other appropriate forum.

6. That there are no mechanics liens or other liens by reason of any labor, services or materials on the Facility, except in compliance with the provisions in the Lease Agreement.

7. That there are no municipal violations outstanding on the premises.

8. That attached hereto as Exhibit A hereto are copies of the certificates of insurance required to be provided to the Agency pursuant to Sections 6.4 and 6.5 of the Lease Agreement.

9. That attached hereto as Exhibit B hereto is a certified statement of the Company and documentation (i) enumerating the FTE (as such term is defined in the Lease Agreement) jobs, by category, retained and/or created at the Facility as a result of the Agency's financial assistance and (ii) indicating the fringe benefits and salary averages or ranges for such categories of FTE jobs created and/or retained.

10. That attached hereto as Exhibit C is a copy of the Form NYS-45 filed with respect to the New York State Department of Labor.

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11. That attached hereto as Exhibit D hereto is a copy of the ST-340 filed with the New York State Department of Taxation and Finance in compliance with Section 874(8) of the General Municipal Law evidencing the annual value of all sales and use tax exemptions claimed in connection with Facility.

LOCUST GROVE APARTMENTS LLC

By:_____
Name:
Title:

Subscribed and sworn to before me this ___ day of _____, 20[__]

_____
Notary Public

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Exhibit A

Insurance Certificates

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Exhibit B

Form of Certified Statement and Documentation Regarding FTEs

Company Name and Address:
Project Name:
Project Number:

Include employees of Company, contractors, subcontractors, affiliates and tenant employees—anyone working at the facility location.

	FTEs to be created or retained within 2 years of Completion Date (as set forth in Application)	FTEs **created** for year ending 12/31/20__	Average Hourly Wage/Salary and/or Fringe Benefits of FTEs **created**	FTEs **retained** for year ending 12/31/20__	Average Hourly Wage/Salary and/or Fringe Benefits of FTEs **retained**	Headcount for year ending 12/31/20__
Owner/Executive						
Professional						
Management						
Administrative						
Production						
Other						
TOTAL						
Construction Jobs in 20__						

FTE (full-time equivalent) employees are calculated based on a 35-hour work week. If there are two administrative employees working 40 hours per week and one administrative employee working 15 hours per week, there are 2.7 FTEs. (40+40+15)/35=2.7.

Headcount: For the above example, the Headcount would be 3, for three people.

In accordance with the Lease and Project Agreement between the Company and the Dutchess County Industrial Development Agency, I certify that to the best of my knowledge and belief all of the information on this form is correct. I also understand that failure to report completely and accurately may result in enforcement of provisions of my agreement, including but not limited to voidance of the agreement and potential recapture of benefits.

_____ _____
(Authorized Company Representative) Date

_____ _____
Title Phone Number

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Exhibit C

Form NYS-45

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Exhibit D

Form ST-340

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EXHIBIT L

DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Local Workforce Utilization Policy

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

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.

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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.

Review Committee which may, in its discretion, bring it to the Board to take action to revoke IDA benefits.

In addition, in the event the Monitor determines the project will not meet the compliance requirements a letter will be issued, and a corrective action plan will be required with a cure period of 30 days.

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.

  For projects whose project costs exceeds $25 million, significant cost differentials in bid prices whereby the use of local labor significantly increases the sub contract

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or contract of a particular trade or work scope by at 10%. 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

For projects whose project costs is less than $25 million, a cost differential of 20% is deemed significant. Every effort should be made by the contractor or applicant to get below the 20% 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

All known waiver requests must be submitted at the time of application, failure to submit waivers with the application may delay consideration of the Final Resolution. Should the need for an unforeseen waiver be required submission of the waiver must be submitted to the IDA no later than 60 days prior to a contract agreement is executed with the contracting company.

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.

LOCUST GROVE APARTMENTS LLC

By: _____
Name:
Title:

Adopted 10/18/2016
Amended 11/13/2018
Readopted 1/9/2019
Amended 5/8/2019
Adopted 1/8/2020
Readopted 1/13/2021
Readopted 1/12/2022
Amended 1/8/2025
Readopted 1/14/2026

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SCHEDULE A

SCHEDULE OF DEFINITIONS

"Act" means, collectively, Title 1 of Article 18-A of the General Municipal Law of the State, enacted into law as Chapter 1030 of the Laws of 1969 of the State, as amended, together with Chapter 335 of the Laws of 1977 of the State, as amended.

"Agency" means (i) the Dutchess County Industrial Development Agency, its successors and assigns, and (ii) any local governmental body resulting from or surviving any consolidation or merger to which the Agency or its successors may be a party.

"Agency Documents" means the Company Lease and the Lease Agreement.

"Agent" shall have the meaning set forth in Section 5.2(d).

"Approving Resolution" or "Authorizing Resolution" means the resolution adopted by the Agency on August 26, 2026, authorizing the execution and delivery of the Agency Documents, as such resolution may be amended and supplemented from time to time.

"Authorized Representative" means, in the case of the Agency, the Chairman, the Vice Chairman, the Secretary, the Assistant Secretary, the Executive Director, the Chief Financial Officer or any member or officer of the Agency and such additional persons as, at the time, are designated to act on behalf of the Agency; in the case of the Company, the members of the Company and such additional persons as, at the time, are designated to act on behalf of the Company.

"Bill of Sale" means the Bill of Sale, dated the Closing Date, given by the Company to the Agency with respect to the Equipment, as the same may be amended from time to time.

"Business Day" means any day other than a Saturday, a Sunday, a legal holiday or a day on which banking institutions in New York, New York, or any city in which the principal office of the Lender, if any, is located are authorized by law or executive order to remain closed.

"Closing Date" means [August __,] 2026.

"Company" means LOCUST GROVE APARTMENTS LLC, a limited liability company organized and validly existing under the laws of the State of New York and its successors and assigns.

"Company Documents" means the Bill of Sale, the Company Lease and the Lease Agreement.

"Company Lease" means the Company Lease Agreement, dated as of August 1, 2026, by and between the Company and the Agency, as the same may be amended from time to time.

"Company Sales Tax Savings" means all Sales Tax Exemption savings realized by or for the benefit of the Company, including any savings realized by any Agent on behalf of the

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Company, pursuant to this Lease Agreement and each Sales Tax Agent Authorization Letter issued in connection with the Facility.

"Completion Date" means the date of completion of the Facility as certified pursuant to Section 3.6 of the Lease Agreement.

"Condemnation" means the taking of title to, or the use of, Property under the exercise of the power of eminent domain by any governmental entity or other Person acting under governmental authority.

"Construction Period" means the period beginning on the earlier of (a) Closing Date and (b) the date of commencement of the Project Work of the Facility, and ending on the Completion Date.

"Disposal" has the same meaning as given to that term in the Solid Waste Disposal Act as amended by the Resource Conservation and Recovery Act, (42 U.S.C. Section 6901 et seq.)

"Eligible Items" shall mean the following items of personal property and services, but excluding any Ineligible Items, with respect to which the Company and any Agent shall be entitled to claim a Sales Tax Exemption in connection with the Facility: (i) purchases of materials, goods, personal property and fixtures and supplies that will be incorporated into and made an integral component part of the Facility; (ii) purchases or leases of any item of materials, goods, machinery, equipment, furniture, furnishings, trade fixtures and other tangible personal property having a useful life of one year or more; (iii) with respect to the eligible items identified in (ii) above; purchases of freight, installation, maintenance and repair services required in connection with the shipping, installation, use, maintenance or repair of such items; provided that maintenance shall mean the replacement of parts or the making of repairs; (iv) purchases of materials, goods and supplies that are to be used and substantially consumed in the course of construction or renovation of the Facility (but excluding fuel, materials or substances that are consumed in the course of operating machinery and equipment or parts containing fuel, materials or substances where such parts must be replaced whenever the substance is consumed); and (v) leases of machinery and equipment solely for temporary use in connection with the construction or renovation of the Facility.

"Environment" means any water or water vapor, any land, including land surface or subsurface, air, fish, wildlife, flora, fauna, biota and all other natural resources.

"Environmental Laws" means all federal, state and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection, preservation or remediation of the Environment and/or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, written and published policies, guidelines, decisions, orders and directives of federal, state and local governmental agencies and authorities with respect thereto.

"Environmental Permits" means all permits, licenses, approvals, authorizations, consents or registrations required by any applicable Environmental Law in connection with the ownership, construction, renovation, equipping, use and/or operation of the Facility, for the storage, treatment,

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generation, transportation, processing, handling, production or disposal of Hazardous Substances or the sale, transfer or conveyance of the Facility.

"Equipment" means all machinery, equipment and other personal property used and to be used in connection with the Facility as described in Exhibit B to the Lease Agreement.

"Event of Default" means (a) when used with respect to the Lease Agreement, any of the events defined as Events of Default by Section 10.1 of the Lease Agreement, and (b) when used with respect to any Mortgage, any of the events defined as Events of Default in such Mortgage.

"Facility" means collectively, the Land, the Improvements and the Equipment leased and subleased to the Company pursuant to the Lease Agreement.

"Final Project Cost Budget" means that certain budget of costs paid or incurred by the Company in connection with the Project, which shall be submitted by the Company pursuant to Section 3.6 hereof upon completion of the Project.

"Form ST-60" shall mean NYSDTF Form ST-60 "IDA Appointment of Project Operator or Agent" or such additional or substitute form as is adopted by NYSDTF to report the appointment of project operators or agents with respect to industrial development agency transactions.

"Form ST-123" shall mean NYSDTF Form ST-123 "IDA Agent or Project Operator Exempt Purchase Certificate" or such additional or substitute form as is adopted by NYSDTF for use in completing purchases that are exempt for Sales and Use Taxes with respect to industrial development agency transactions.

"Form ST-340" shall mean NYSDTF Form ST-340 "Annual Report of Sales and Use Tax Exemptions Claimed by Agent/Project Operator of Industrial Development Agency/Authority" or such additional or substitute form as is adopted by NYSDTF to report Company Sales Tax Savings with respect to industrial development agency transactions.

"FTE" shall have the meaning set forth in Section 8.11 of the Lease Agreement.

"Hazardous Substance" means, without limitation, any flammable, explosive, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum constituents, petroleum products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials, pollutants, or toxic pollutants, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 6901, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. Sections 2601, et seq.), the Federal Water Pollution Control Act, as amended (33 U.S.C. Sections 1251 et seq.), Articles 17 and 27 of the New York State Environmental Conservation Law, or any other applicable Environmental Law and the regulations promulgated thereunder.

"Improvements" means all those buildings, improvements, structures and other related facilities (i) affixed or attached to the Land, and (ii) not part of the Equipment, all as they may exist from time to time.

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"Independent Accountant" shall mean an independent certified public accountant or firm of independent certified public accountants selected by the Company and approved by the Agency (such approval not to be unreasonably withheld or delayed).

"Independent Counsel" means an attorney or attorneys or firm or firms of attorneys duly admitted to practice law before the highest court of any state of the United States of America or in the District of Columbia and not a full time employee of the Agency, the Company.

"Ineligible Items" shall mean the following items of personal property and services with respect to which the Company and any Agent shall not be entitled to claim a Sales Tax Exemption in connection with the Facility:

(i) vehicles of any sort, including watercraft and rolling stock;

(ii) personalty having a useful life of one year or less;

(iii) any cost of utilities, cleaning services or supplies or other ordinary operating costs;

(iv) ordinary office supplies such as pencils, paper clips and paper;

(v) any materials or substances that are consumed in the operation of machinery;

(vi) equipment or parts containing materials or substances where such parts must be replaced whenever the substance is consumed; and

(vii) maintenance of the type as shall constitute janitorial services.

"Land" means the real property leased by the Agency to the Company pursuant to the Lease Agreement and more particularly described in Exhibit A attached thereto.

"Lease Agreement" means the Lease and Project Agreement, dated as of August 1, 2026 by and between the Agency, as lessor, and the Company, as lessee, with respect to the Facility, as the same may be amended from time to time.

"Lease Term" means the duration of the leasehold estate created by the Lease Agreement as specified in Section 4.2 of the Lease Agreement.

"Lender" means any lender making a Loan to the Company to finance or refinance in whole or in part the Project Work, the acquisition and/or development of the Facility or any portion thereof.

"Lien" means any interest in Property securing an obligation owed to a Person, whether such interest is based on the common law, statute or contract, and including but not limited to the security interest arising from a mortgage, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security purposes. The term "Lien" includes reservations, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions, leases and other similar title exceptions and encumbrances, including but not limited to mechanics', materialmen's, warehousemen's, carriers' and other similar encumbrances, affecting real property.

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For the purposes of this definition, a Person shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person for security purposes.

"Loan" has the meaning ascribed to such term in Section 12.4 of the Lease Agreement.

"Loan Documents" has the meaning ascribed to such term in Section 12.4 of the Lease Agreement.

"Loss Event" has the meaning ascribed to such term in Section 5.4 of the Lease Agreement.

"Maximum Company Sales Tax Savings Amount" shall mean the aggregate maximum dollar amount of Company Sales Tax Savings that the Company and all Agents acting on behalf the Company are permitted to receive under this Lease Agreement, which shall equal $442,567.13, or such maximum dollar amount as may be determined by the Agency pursuant to such additional documents as may be required by the Agency for such increase.

"Mortgage" means any mortgage and security agreement granted by the Agency and the Company to a Lender which grants a mortgage lien on and security interest in the Facility in favor of the Lender as security for such Lender's Loan to the Company.

"Mortgage Recording Tax Exemption" has the meaning ascribed to such term in Section 5.3 of the Lease Agreement.

"Net Proceeds" means so much of the gross proceeds with respect to which that term is used as remain after payment of all expenses, costs and taxes (including attorneys' fees) incurred in obtaining such gross proceeds.

"NYSDTF" means the New York State Department of Taxation and Finance.

"Organizational Documents" means (i) in the case of an entity constituting a limited liability company, the articles of organization or certificate of formation, and the operating agreement of such entity, (ii) in the case of an Entity constituting a corporation, the articles of incorporation or certificate of incorporation, and the by-laws of such entity, and (iii) in the case of an entity constituting a general or limited partnership, the partnership agreement of such entity

"Permitted Encumbrances" means, with respect to the Facility, (i) exceptions to title set forth in the Title Report, (ii) the Company Lease, (iii) the Lease Agreement, (iv) utility, access and other easements and rights-of-way, restrictions and exceptions that do not materially impair the utility or the value of the Property affected thereby for the purposes for which it is intended, (v) mechanics', materialmen's, warehousemen's, carriers' and other similar Liens which are approved in writing by the Lender, if any, or its counsel and, if no Lender, then by the Agency or its counsel, (vi) Liens for taxes not yet delinquent, (vii) any Mortgage granted to a Lender and (viii) purchase money security interests and blanket liens.

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"Person" or "Persons" means an individual, partnership, limited liability partnership, limited liability company, corporation, trust or unincorporated organization, or a government agency, political subdivision or branch thereof.

"Plans and Specifications" means the plans and specifications, if any, for the Improvements, prepared for the Company and approved by the Agency, as revised from time to time in accordance with the Lease Agreement.

"Project" means the acquisition, construction and equipping of the Facility.

"Project Application Information" means the application and questionnaire submitted to the Agency on May 27, 2026 by or on behalf of the Company for approval by the Agency of the Project, together with all other letters, documentation, reports and financial information submitted in connection therewith.

"Project Work" means the work required to complete the Project.

"Prime Rate" means (i) if no Lender, the rate designated by The Wall Street Journal from time to time as its "prime rate", or (ii) if a Lender exists, the rate designated by the Lender from time to time as its "prime rate".

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Public Purposes" shall mean the State's objective to create industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and to empower such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and sell land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, recreation or industrial facilities, including industrial pollution control facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve their standard of living.

"Recaptured Benefits" has the meaning ascribed to such term in Section 5.4 of the Lease Agreement.

"Recapture Event" has the meaning ascribed to such term in Section 5.4 of the Lease Agreement.

"Release" has the meaning given to that term in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et seq.), and the regulations promulgated thereunder.

"Sales Tax Agent Authorization Letter" shall mean the Sales Tax Agent Authorization Letter, substantially in the form set forth in Exhibit E to the Lease Agreement – "Form of Sales

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Tax Agent Authorization Letter" and to be delivered in accordance with Section 5.2(d) of the Lease Agreement.

"Sales Tax Exemption" shall mean an exemption from Sales and Use Taxes resulting from the Agency's participation in the Facility.

"Sales Tax Registry" shall mean the Sales Tax Registry in the form set forth in Exhibit F to the Lease Agreement.

"Sales and Use Taxes" shall mean local and State sales and compensating use taxes and fees imposed pursuant to Article 28 of the New York State Tax Law, as the same may be amended from time to time.

"Schedule of Definitions" means the words and terms set forth in this Schedule of Definitions attached to the Lease Agreement, as the same may be amended from time to time.

"SEQR Act" means the State Environmental Quality Review Act and the regulations thereunder.

"Special Provisions" has the meaning ascribed to such term in Section 5.2 of the Lease Agreement.

"State" means the State of New York.

"State Sales and Use Taxes" shall mean sales and compensating use taxes and fees imposed by Article 28 of the New York State Tax Law but excluding such taxes imposed in a city by Section 1107 or 1108 of such Article 28, as the same may be amended from time to time.

"State Sales Tax Savings" shall mean all Sales Tax Exemption savings relating to State Sales and Use Taxes realized by or for the benefit of the Company, including any savings realized by any Agent, pursuant to the Lease Agreement and each Sales Tax Agent Authorization Letter issued in connection with the Facility.

"Substitute Facilities" means facilities of substantially the same nature as the proposed Facility.

"Tenant Agency Compliance Agreement" means an agreement in the form attached to the Lease Agreement as Exhibit I between the Agency and a sublessee of the Facility.

"Termination Date" shall mean such date on which the Sales Tax Exemption authorization may terminate pursuant to the terms and conditions of Section 5.2 of the Lease Agreement.

"Title Report" means Certificate of Title No. [_____] issued by [_____] to the Agency on [_____], 20[_] and redated and recertified on the Closing Date.

"Transaction Documents" means the Agency Documents and the Company Documents.

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"Unassigned Rights" means the rights of the Agency and moneys payable pursuant to and under Sections 3.6, 4.3, 4.4, 5.1, 5.2, 5.4, 6.4(c) and (d), 6.7, 8.1, 8.2, 8.5, 8.7, 8.8, 8.10, 8.11, 9.3, 10.2(a), 10.4, 11.2, 11.3 and 14.8 and Article XIII of the Lease Agreement.

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Evaluation of Projects Requesting IDA Benefits

Dutchess County Industrial Development Agency (DCIDA)

Project:	Locust Grove Apartments — Locust Grove Apartments LLC (Mid-Hudson Development Corp.)	**Location:**	2736–2738 South Road (U.S. Route 9), Town of Poughkeepsie, Dutchess County, NY 12601 (SBL 6161-03-078100)

Type of Business:	For-profit market-rate multifamily rental housing — new construction. New Multifamily Building Construction (NAICS 236116); ongoing operations Lessors of Residential Buildings (NAICS 531110).

Agency Request

Sales Tax	Yes	**Mortgage Tax Exemption**	Yes	**PILOT**	No

Straight-lease (lease/leaseback) structure requested. Sales/use tax and mortgage recording tax exemptions only; no PILOT and no bond issuance requested.

Project Description

New construction of four (4) two-story multifamily rental buildings (eight units each) totaling 32 market-rate, two-bedroom units — approximately 43,424 SF — on a vacant ±2.6-acre parcel on U.S. Route 9 (SBL 6161-03-078100) in the Residence, Multifamily (R-M) District. Site and infrastructure work includes 68 parking spaces (6 ADA, 4 EV charging stations), new stormwater drainage connected to existing systems, landscaping, and utilities (all on site). High-efficiency HVAC, appliances, insulation, and building materials will be acquired; no equipment leasing.

The property is held by Locust Grove Apartments LLC (New York, formed 2/13/2025); Mid-Hudson Development Corp. principals John Goetz and Christopher Sollecito (50/50) will build, own, operate, and manage. Units will be leased to residential tenants (no leases executed to date). Total capital investment of approximately $11,936,220, funded through private equity and a proposed $10,000,000 HVCU construction-to-permanent loan. Town of Poughkeepsie Planning Board site plan approval granted 12/19/2025.

Project Timeline

Proposed date for commencement of acquisition or construction:	Summer 2026

The actual or expected dates of:

Construction completion:	Spring 2027
Occupancy:	Summer 2027

Total Cost of Project

Total Project Cost:	$11,936,219.50

Private Investment (100%):	$11,936,219.50 (private equity plus proposed $10,000,000 HVCU loan)
Other public financial assistance / grants and source:	$0 (none)
Construction Costs (new construction $5,781,400 + infrastructure $2,000,000):	$7,781,400
Benefitted Amount (taxable base subject to sales/use tax):	$5,446,980

Total Project Cost per applicant Sources & Uses; itemized cost detail totals $11,421,509.75 as of 3/11/26 (variance noted for reconciliation).

Company Incentives

Amount of Sales Tax benefits:	$442,567.13 ($5,446,980 benefitted amount × 8.125%)
Amount of Mortgage Recording Tax exemption:	≈ $75,000 (staff-corrected)
Estimated real property tax exemption with PILOT:	$0 (no PILOT — property fully taxable upon completion)

MRT exemption corrected from the applicant's stated $105,000. The exemptible mortgage recording tax is ≈ 0.75% ($10,000,000 mortgage × 0.75% = $75,000): 0.50% basic tax (local, Tax Law §261) + 0.25% special additional tax (state). The 0.30% MTA additional tax layer is not IDA-exemptible. Final figure to be verified against the recorded mortgage at closing.

Estimated Amount of Benefit to State & Region*

Anticipated PILOT Tax revenue:	N/A (no PILOT) — full real property taxes flow to the taxing jurisdictions; applicant pro forma projects $146,300/yr
Anticipated Sales Tax revenue:	$119,918 (MRB — temporary $44,190 + ongoing $75,728; local $60,881 / state $59,036)
Benefit to Cost Ratio:	*13 : 1*

**Figures derived from DCIDA's MRB CBA modeling and are not contained in the applicant submission. As no PILOT was suggested, the Benefit to Cost ratio is likely an under-estimate, as it does not account for the increased Property Tax revenue*

Estimated Property Value Increase^

Current Assessed Value^	Current Property Tax+ (2025/26)	Estimated New Assessed Value^	Net Increase	Est. Year 1 PILOT+
TBD (vacant land)	TBD	≈ $12,700,000	TBD	N/A

^Town of Poughkeepsie. The parcel is currently vacant land; the applicant did not provide a current assessed value or current tax figure. Estimated New Assessed Value reflects the applicant's stabilized value estimate (≈ $12.7M at a 6.5% cap rate); the Assessor's determination of the final assessed value is pending. +No PILOT is requested — the completed project is fully taxable, so full real property taxes are payable to the taxing jurisdictions with no exemption.

Employment Impact

Committed total FTE jobs:	2 new permanent (property management / operations)
Number of existing FTE jobs to be retained:	0 (new construction; no existing operations)
Total number of new FTE jobs to be created:	2 over approximately 1 year
Average annualized salary of FTE jobs:	≈ $66,250
Estimated hourly wage average and range:	≈ $36.4
Total number of construction jobs to be created:	81–160 (applicant); 37 direct per MRB multiplier methodology

Jobs created in construction and operations are estimated to have the following spillover impact:

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Initial	—	—
Direct	37	12
Indirect	11	5
Induced	—	—
Total Effect	48	17

Based on MRB CBA. Includes FTE numbers resulting from household spending of unit occupants

Community Benefits

- ***Revitalization:*** Development of a long-vacant ±2.6-acre parcel on an established U.S. Route 9 commercial corridor, adding new housing supply on serviced land rather than expanding into undeveloped areas.
- ***Identified Growth Area:*** Housing — addresses documented County and Town housing need (2021 Town Comprehensive Plan, 2022 County Housing Needs Assessment, 2022 Rental Housing Survey); consistent with the R-M zoning of the parcel.
- ***Investment:*** Approximately $11,936,220 in private investment, 100% privately funded with no other public assistance or grants.
- ***Environmental Factors:*** Energy efficiency and green technology — high-efficiency HVAC, appliances, insulation, and building materials; four (4) EV charging stations; and new stormwater management infrastructure.
- ***Employment:*** 2 new permanent FTEs (operations) plus construction employment estimated at 81–160 jobs by the applicant, or 48 total construction-related jobs under the MRB multiplier methodology.
- **Use of Local Contractor(s) and Labor:** Yes — general contracting and trades to be sourced regionally (per application).

Project is consistent with Agency's Mission

Yes, the project will promote economic development resulting in construction jobs and permanent employment, and add needed market-rate housing supply in Dutchess County.

The Project has Municipal Support and PILOT

Municipal Support Not on file **PILOT** N/A (none requested) **Request for UTEP Deviation** No

Classified as a Special Project (For-Profit Market-Rate Housing) under the 2025 UTEP. No written support letters from the affected taxing jurisdictions and no independent third-party market study were submitted. Under the Jackson Crossing precedent (56-unit market-rate project, Village of Fishkill, where sales tax and MRT exemptions were approved despite the absence of these items and municipal opposition), these are unlikely to be dispositive for a sales/mortgage-tax-only request, though they remain relevant to the Special Project criteria.

CEO Comments of Importance

1. Mortgage recording tax. The application computes the exemption at the full 1.05% ($105,000). The 0.30% MTA additional tax cannot be exempted by the IDA, so the true exemptible benefit is ≈ $75,000 (0.75% of the $10M mortgage: 0.50% local basic tax + 0.25% special additional tax). The Board should evaluate the request on the corrected figure, verified against the recorded mortgage at closing.

2. Special Project criteria. Locust Grove is a Special Project (For-Profit Market-Rate Housing) under the 2025 UTEP. No independent third-party market study specific to this submarket and no written support letters from the taxing jurisdictions were submitted; the application relies on the 2021 Town Comprehensive Plan, 2022 County Housing Needs Assessment, and 2022 Rental Housing Survey. These are non-dispositive under Jackson Crossing for a tax-exemption-only request but would strengthen the record.

3. Cost-benefit analysis. The MRB CBA has now been run for this project: a benefit-to-cost ratio of 13:1 is calculated, though the real benefit is likely higher based on a projected increase in Property Tax revenue.

4. No PILOT. Because only sales tax and mortgage recording tax are requested, all real property taxes on the completed project flow to the County, Town, and school district — the completed project is fully taxable, with the applicant projecting ≈ $146,300/yr at stabilization.

5. Legal entity name. Planning Board and HVCU lender documents reference "Locust Grove Crossing, LLC," while the application names "Locust Grove Apartments LLC." This discrepancy is pending confirmation by counsel before Final Authorization.

6. Employment. Two (2) new permanent FTEs are committed, typical for residential rental projects. Construction employment is the principal employment impact; the applicant's stated 81–160 range differs from the MRB multiplier output (37 direct / 48 total).

Board Member Questions / Comments

_____

_____

_____

Completed by Board Member _____ Date _____ 2026

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 Industrial Development Agency
MRB Cost Benefit Calculator

Cost-Benefit Analysis Tool powered by MRB Group

Date	July 1, 2026
Project Title	Mid Hudson Development Corp.
Project Location	2736-2738 South Road, Pouthkeepsie, NY 12601

Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

Construction Project Costs

$7,781,400

Temporary (Construction)

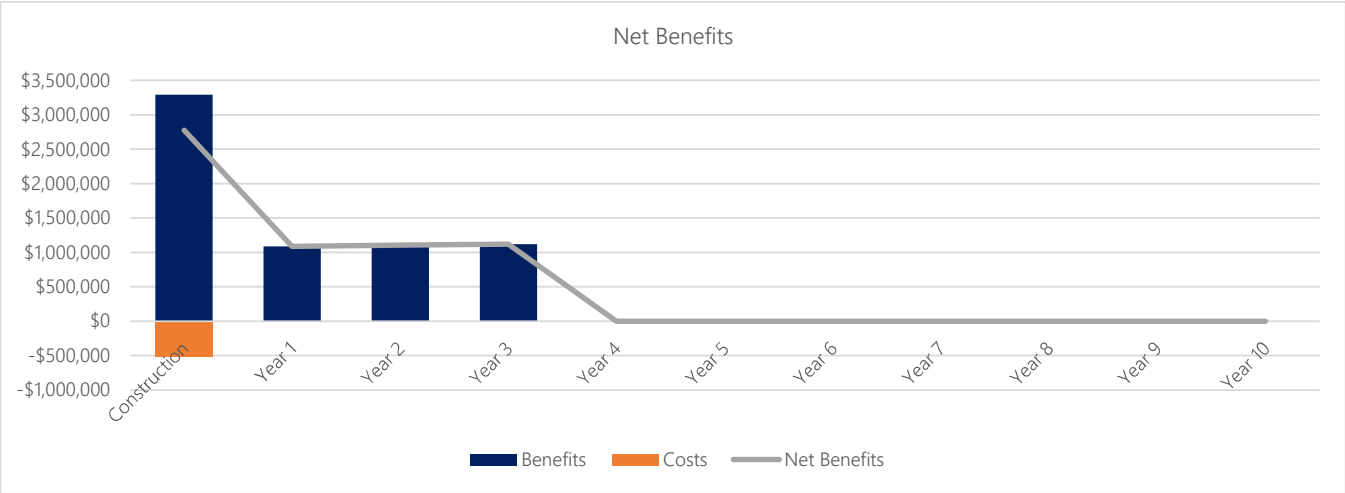
	Direct	Indirect	Total
Jobs	37	11	48
Earnings	$2,397,083	$710,772	$3,107,855
Local Spend	$6,225,120	$2,411,670	$8,636,790

Ongoing (Operations)

Aggregate over life of the PILOT

	Direct	Indirect	Total
Jobs	12	5	17
Earnings	$2,012,954	$1,088,288	$3,101,241

Figure 1



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

Figure 2

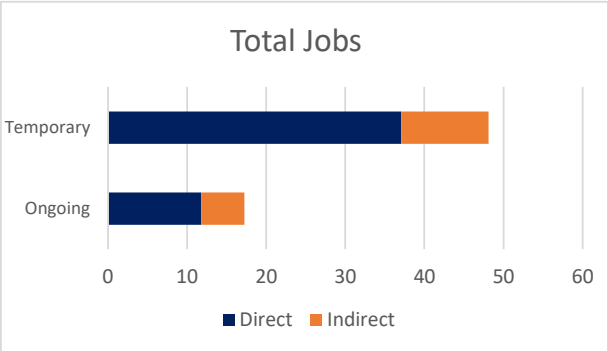
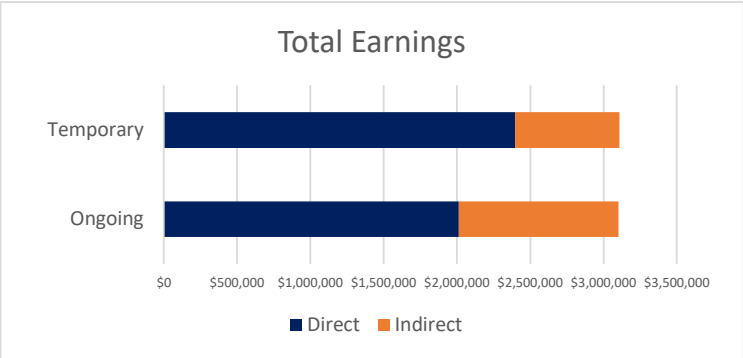


Figure 3



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Ongoing earnings are all earnings over the life of the PILOT.

Fiscal Impacts

MRB Group

Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	$0	$0
Sales Tax Exemption	$442,567	$442,567
Local Sales Tax Exemption	*$224,688*	*$224,688*
State Sales Tax Exemption	*$217,879*	*$217,879*
Mortgage Recording Tax Exemption	$75,000	$75,000
Local Mortgage Recording Tax Exemption	*$50,000*	*$50,000*
State Mortgage Recording Tax Exemption	*$25,000*	*$25,000*
Total Costs	**$517,567**	**$517,567**

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	**$6,269,977**	**$6,147,848**
To Private Individuals	$6,209,096	$6,088,463
Temporary Payroll	*$3,107,855*	*$3,107,855*
Ongoing Payroll	*$3,101,241*	*$2,980,608*
Other Payments to Private Individuals	*$0*	*$0*
To the Public	$60,881	$59,385
Increase in Property Tax Revenue	*$0*	*$0*
Temporary Jobs - Sales Tax Revenue	*$22,435*	*$22,435*
Ongoing Jobs - Sales Tax Revenue	*$38,447*	*$36,950*
Other Local Municipal Revenue	*$0*	*$0*
State Benefits	**$338,446**	**$331,566**
To the Public	$338,446	$331,566
Temporary Income Tax Revenue	*$139,853*	*$139,853*
Ongoing Income Tax Revenue	*$139,556*	*$134,127*
Temporary Jobs - Sales Tax Revenue	*$21,755*	*$21,755*
Ongoing Jobs - Sales Tax Revenue	*$37,281*	*$35,830*
Total Benefits to State & Region	**$6,608,423**	**$6,479,414**

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	$6,147,848	$274,688	22:1
State	$331,566	$242,879	1:1
Grand Total	**$6,479,414**	**$517,567**	**13:1**

*Discounted at the public sector discount rate of: 2%

Additional Comments from IDA

None

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

Does this project provide onsite childcare facilities? No

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KARC
PLANNING CONSULTANTS, INC.

May 27, 2026

Ms. Robin Mack, Executive Director
Dutchess County IDA
3 Neptune Road
Poughkeepsie, NY 12601

RE: Locust Grove Apartments – Mid Hudson Development Corp.
2736-2738 South Road
Dutchess County IDA Application

Dear Ms. Mack

KARC Planning Consultants, Inc. represents the owner of the above noted property. Please accept this application to the Dutchess County Industrial Development Agency (DCIDA) for the Locust Grove Apartments located at 2736-2738 South Road in the Town of Poughkeepsie. Enclosed please find the following:

1. DCIDA Application

Exhibit A:	Supplemental Responses to IDA Application Questions
Exhibit B:	Detailed Project Description
Exhibit C:	NOI & Pro Forma
Exhibit D:	Town of Poughkeepsie Planning Board Approval – December 19, 2025
Exhibit E:	Site Plan Set
Exhibit F:	SEAF
Exhibit G:	HVCU Letter of Intent

2. Application Fee in the amount of $1,000.00.

Please inform if there is anything else needed for your review.

Sincerely,

Kelly Libolt

PO Box 924 | Poughkeepsie, NY 12602 | 845.594.1055 | kelly@karcpc.com
DBE Certified | WBE Certified in NY and NJ | US SBA WOSB & EDWOSB Certified

DCida
Dutchess County Industrial Development Agency

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 our office.

Be aware 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.

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 DCIDA, 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 DCIDA 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, the DCIDA will contact the principals 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 you require further assistance, please feel free to contact our office.

Enclosures

PLEASE TAKE NOTICE — The DCIDA 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.

DC ida

Dutchess County Industrial 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

Th!nk DUTCHESS

DCIDA Board and Staff

OFFICERS

Chairman
Mark Doyle

Vice Chairman / Treasurer
Ronald J. Piccone II

Secretary
Thomas LeCount

Executive Director
Robin D. Mack

Chief Financial Officer
Jane Denbaum

Compliance Officer/
Records Access Officer
Jane Denbaum

BOARD OF DIRECTORS

Mark Doyle
Ronald J. Piccone II
Amy Bombardieri
Deirdre Houston
Thomas LeCount
Brian Berryann

Counsel
Donald Cappillino
Elizabeth Cappillino

COUNTY GOVERNMENT

County Executive
Sue Serino
Dutchess County Office Building
22 Market Street, Sixth Floor
Poughkeepsie, NY 12601
Tel.# (845) 486-2000(B)
Fax # (845) 486-2021
Email: CountyExe@DutchessNY.gov

This e-mail address is being protected from spambots.

Dutchess County Legislature
Will Truitt
Dutchess County Office Building
22 Market Street, Sixth Floor
Poughkeepsie, NY 12601
Tel # (914) 474-0908 (B)
Fax # (845) 486-2113
Email: wtruitt@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, however in some instances a Long Form EAF may need to be completed. https://thinkdutchess.com/dcida-application/

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/dcida-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 Mid Hudson Development Corp	FEIN 16-152-1968
Address P.O. Box 636	Name and Title of Contact Person John Goetz, President
City Fishkill County Putchess Zip 12524	Telephone Number
website www.MHDCNY.com	email John@MHDCNY.com

Full Address of the site/location of the proposed project, including County and Zip Code
2736-2738 South Road, Poughkeepsie, NY 12601

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	
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 John Goetz
Print Name John Goetz
Title President
Date May 27, 2026

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: John Goetz
Title: President
Address PO Box 636, Fishkill, NY 12524
Phone: 914-489-8518 Fax: _____
Email: john@mhdcny.com

B. Company Counsel:

Name of Attorney: N/A
Firm Name: _____
Address _____
Phone: _____ Fax: _____
Email: _____

C. Form of Business Organization:

X 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:
04/1997

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:
John Goetz - 50%
Christopher Solleuito - 50%

If Applicant has a significant relationship with an affiliate company(ies), please list the name and address of such affiliate(s):
None

E. Holding Company

Will a Real Estate Holding Company be utilized to own the Project property/facility? X Yes ___ No
What is the name of the Real Estate Holding Company: Locust Grove Apartments LLC
Federal Employer ID Number: 33-3729890
State and Year or Incorporation/Organization: NY 02/13/2025
List of stockholders, members, or partners of Applicant: John Goetz and Christopher Solleuito

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

Same Principals / Same Owners

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

Applicant will build, own, operate, and manage the day to day operations of this project. Applicant will purchase all materials, hire all employees and subcontractors, and purchase from all local vendors

G. Brief Description of Company History (formation, growth, transitions, location):
Please see the Supplemental Responses included with this application.

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

H. Does the Company have or had projects that were 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. __ Yes X No

If yes, please list:

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

None

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

Please see Appendix D - Proforma, included with this application.

Section 2: Project Description & Details

A. Industry

Please check off the Project's Industry Sector:

___ Natural Resources / Mining
X Construction
___ Utilities
___ Manufacturing
___ Wholesale / Retail
___ Transportation /Warehousing
X Other (Please write): Housing

___ Information Technology
___ Financial Services
___ Professional / Business Services
___ Education or Healthcare Services
___ Leisure and Hospitality
___ Government

North American Industrial Classifications Number (NAICS) 236116

B. Project Location

Project Address 2736-2738 South Road, Poughkeepsie, NY 12601

Section Block Lot (SBL) Number for Property which proposed Project will be located: 6161-03-078100

Property Tax Jurisdiction:

Municipal: Poughkeepsie
School District: Spackenkill

Are the Real Property Taxes current? X Yes ___ No
If no, please explain ___

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

X Water
X Gas
X Sewer
X Electric
___ Sanitary/Storm Water

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

If no, Present legal owner of site: _____

Does the Applicant or related entity have an option /contract to purchase the Project site? ___ Yes X No

Describe the present use of the proposed Project Site
The proposed project site is an existing vacant lot.
Mid-Hudson Development has already taken title to this property.

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

___ Acquired X 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*).

Please see the Supplemental Responses included with this Application.

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).*

Please see the Supplemental Responses included with this application.

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.

X 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.

This project could not be undertaken without financial assistance provided by the DCIDA.

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?

Please see the Supplemental Responses included with this application.

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?

Please see the Supplemental Responses included with this application.

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, project will utilize all high efficiency HVAC, appliances, insulation, and building materials

Is the project of a speculative nature?

Please see the Supplemental Responses included with this application.

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

Will the Project include leasing any equipment? ___ Yes X No

C. Zoning of Project Site:

Current: Residence, Multifamily (R-M)

Proposed: No Change

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.
None

The approximate acreage of the land to be purchased or leased:
Project area = 2.6 acres

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:
43,424 square feet of new construction

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 X No
If yes, please list: _____

Has another entity been designated lead agent under the State Environmental Quality Review Act? __ Yes X 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.

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)	$ 1,400,000.00
2. **New Construction**	$ 5,781,400.00
3. **Reconstruction/Renovation/Expansion**	N/A
4. **Infrastructure Work**	$ 2,000,000.00
5. **Fixed Equipment (Taxable)** (Spending that will be subject to sales tax – i.e. machinery and equipment)	$ 5,446,980.00*
6. **Other Tax Exempt** (non-construction spending that will not be subject to sales tax)	$ N/A
7. **Professional Services** (Architect, Legal Fees[1], Engineering fees)	$ 242,000.00
8. **Other Taxable** (please specify)	$ N/A
9. **Other** (please specify)	$ 1,998,109.75**
Estimated Total Project Cost	$ 11,421,509.75***

Uses (Financing, Legal, Miscellaneous)

	Estimated Fees
IDA Administrative Fees (See page 1)	$ 12,475.56
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.

* Construction costs subject to sales tax are projected to be 70% of the total Construction Costs.
Total Construction Costs = $7,781,400.00 (Building Costs + Infrastructure Costs)
Total Construction Costs Subject to Sales Tax = $5,446,980

** Other Investment costs include $268,109.75 (additional equity investment) + $80,000 (Rec fees for 32 units) + $200,000 (loan closing costs) + $1,000,000 (construction management fee) + $450,000 (loan carrying cost interest) = $1,998,109.75

*** The sum of #1 through #4 and #6 through #9 = Estimated Total Project Cost. The cost of Taxable Fixed Equipment (#5) is included in the sum of New Construction (#2) and Infrastructure Work (#4).

E. SOURCES

Amount of equity	$ 1,936,219.50
Amount of other conventional financing	$ 10,000,000.00
Amount financed by bond issue	$
Public Sources (Include sum total of all state and federal grants and tax credits)*	$
Total Sources of Funds for Project Cost	$ 11,936,219.50

*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?
Building/Infrastructure to commence Summer 2026.

Please indicate the actual or expected dates of :

Construction completion: Spring 2027

Occupancy: Summer 2027

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

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)

X Complete Application

X Meets NYS/DCIDA Requirements

X SEQRA / Planning Approval
Approval Date: 12/19/2025

X Meets Project Use Definition

X "But For" Requirement

X Will Directly Retain or Create Jobs

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.

Revitalization

Target Geography

___ Distressed Census Tract/Area
___ High Vacancy Census Tract
___ Transit Oriented Development
___ BID
___ Neighborhood Plan

Identified Priority

___ Tax Exempt
X Vacant
___ Adaptive Re-use
___ Community Catalyst

Identified Growth Area

___ Manufacturing / Distribution
___ Technology
___ Existing Cluster

Investment

Financial Commitment

___ 3 – 10 million
X 10.1 – 17.5 million
___ 17.6 – 25 million
___ >25 million

Community Commitment

X MWBE/DBE Participation
___ Veteran Participation
___ Workforce /Affordable Housing
___ Local Workforce
___ Apprenticeship Program
X Public Infrastructure

Environmental Factors

___ Resource Conservation
X Energy Efficiency
___ Green Technology
___ Alternative / Renewable Energy

Employment

Permanent Jobs

___ 3-40
___ 21-80
___ 81-120
___ 121-180
___ > 180

Retained Jobs

___ 3-40
___ 21-80
___ 81-120
___ 121-180
___ > 180

Construction Jobs

___ 6-80
X 81-160
___ 161-240
___ >240

C. Project Benefits

Financial Assistance Provided

1. Estimated Sales Tax Exemption^

$ 5,446,980.00	X	8.125%	=	$ 442,567.13
Amount of Project Cost Subject to Tax		Sales Tax Rate		Total

2. Estimated Mortgage Recording Tax Exemption

$ 10,000,000.00	X	1.05%	=	$ 105,000.00
Projected Amount of Mortgage		Mortgage Recording Tax		Total

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

3. Estimated Property Tax Abatement N/A

Project Property Value:

Current Assessed Value: _____

Current Property Taxes _____

Estimated Property Value after project completion _____

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)

Estimated tax abatement resulting from this project $ _____
(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.

D. Employment

A. Benefits = Economic Development Impacts (For Project Location Only)

By statute, the DCIDA must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. The DCIDA will use job projections upon the two (2) year time period following Project completion.

a. Employment should be quantified by "FTE", which shall mean: (a) a full-time, permanent, private-sector employee on the project's payroll, who has worked (or is projected to work) at the project facility for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties;

b. or (b) two part-time, permanent, private-sector employees on the Applicant's payroll, who have worked (or are projected to work) at the project facility for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties

Employment by category at Project Location only

Job Category	Current Number of FTE's	Number of FTE's Retained	Average Salary or Range of Salary	Number of FTE's to be created upon 2 years	Average Salary or Range of Salary
Owner/Executive					
Professional		1/2	$65-$75k		
Management		1/2	$65-$75k		
Administrative		1/2	$55-$70k		
Production		1/2	$55-$70k		
Other					
Total*		2 minimum			

Are employees currently covered by a collective bargaining agreement?
If yes, Name and Local?
No

Are employees provided retirement benefits? 401(k) X Yes __ No

Are employees provided health benefits? X Yes __ No

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
	2	0	0	0	0	0	0	0	0	0	0	0
Year 2	1	2	3	4	5	6	7	8	9	10	11	12
	0	0	0	0	0	0	0	0	0	0	0	0

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.

2

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

Please see the Supplemental Responses included with this application.

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? 81-160

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 Two (2) new FTE positions will be created.

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 _X_ 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 _X_ No

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

___ Yes _X_ 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.

_____

_____

_____

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:
Please see Detailed Project Description includde with this application.

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:

_____

_____

_____

_____

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	John Goetz
Print Name	John Goetz
Title	President
Date	May 27, 2026

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	John Goetz
Print Name	John Goetz
Title	President
Date	May 27, 2026

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):

Principal Amount of Bonds	Percentage Fees
$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 20.000000	.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 if 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.

Mid Hudson Development Corp.
Name of Company

John Goetz
Name:

President
Title

Attachment 1 - Short Environmental Assessment Form

Please complete a Short Form Environmental Assessment Form (https://www.thinkdutchess.com/clientuploads/IDA/seafpartsoneandtwo.pdf) . 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 agency," and any action by the DCIDA must await completion of the SEQRA review by the other agency. 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.

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.

Exhibit A

Supplemental Responses to IDA Application Questions

Supplemental Responses to IDA Application Questions
Locust Grove Apartments
May 27, 2026

Section 1: Applicant Information

G. Brief Description of Company History

Response: Mid-Hudson Development Corp. (MHDC) has been supporting Dutchess County residents and small businesses since 1988 as a builder of residential homes. The firm's owners, John Goetz and Christopher Sollecito have resided in Dutchess County for over 55 years. In its property development and construction practices, MHDC is dedicated to hiring local contractors as well as purchasing building materials from local suppliers. Through close collaboration with clients and community members, MHDC strives to build homes that share the values and meet the unique needs of Dutchess County residents.

Section 2: Project Description & Details

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)

Response: The proposed project involves the construction of four (4) new two-story multi-family rental apartment buildings and associated site infrastructure. Each building will contain eight (8) residential units for a total of 32 units across all buildings. On-site parking is proposed to include 68 spaces, including six (6) ADA spaces as well as four (4) electric vehicle charging stations. New landscaping, including a variety of tree and shrub species will be woven throughout the property providing screening, shade, and green spaces for residents. High-efficiency HVAC, home appliances, insulation, and building materials will be purchased for this project. As of the date of this application, leases have not been executed with tenants or end users of the project.

Describe why the DCIDA's financial assistance is necessary and of 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?

Response: The principal financial challenge to building the Locust Grove Apartments is the immense cost of infrastructure for the project, especially related to rising construction costs and higher interest rates. Without the requested benefits, the economics of the project as proposed

are unfeasible, and the project would be significantly delayed until other sources of funding, benefits, or grants could be secured.

Without the requested benefits, the Applicant would have to reconsider the costs of investment and the project as currently planned. The central improvement of the project – transforming a vacant and underutilized parcel – into needed multi-family rental housing may not be possible without the IDA's assistance. The requested Sales and Mortgage tax Exemptions benefit the Town's long-term fiscal and social health by helping transform a vacant parcel into a an asset for Town of Poughkeepsie residents.

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?

Response: The proposed Locust Grove Apartments are strategically located to benefit current and future Town of Poughkeepsie residents and local businesses. The project will provide 32 multi-family dwelling units in close proximity to a variety of established commercial and retail destinations along Route 9. The site is also well-positioned for residents who need to commute into the City of Poughkeepsie and other major employment centers located along Route 9 in Dutchess County.

The Town of Poughkeepsie's 2021 Comprehensive Plan Update and the 2022 Dutchess County Housing Assessment both recognize and demonstrate the need for increasing the supply of multi-family rental housing. In its Comprehensive Plan, the Town of Poughkeepsie sets a goal for increasing new infill development in the area just south of the proposed project. The addition of 32 rental units at 2736-2738 South Road represents one step towards implementing this goal. The 2022 Dutchess County Rental Housing Survey identifies a County vacancy rate of 2.1% for market rate units while housing experts recognize a 5% vacancy rate as an indicator of a healthy rental market. The proposed project will help strengthen the County's housing market while transforming a vacant and underutilized parcel into an asset for the Town of Poughkeepsie.

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?

Response: The proposed Locust Grove Apartments are compatible with local development regulations, the Town's long-range goals, and are consistent with the vision of regional planning organizations like the Dutchess County Transportation Council (DCTC). The Multifamily Residence (R-M) Zoning District recognizes established areas of higher-density multifamily development and is intended to promote low- to mid-rise multiunit residential development in those locations. The

Town of Poughkeepsie 2021 Comprehensive Plan recognizes that with the growth of online shopping, the demand for new brick-and-mortar commercial and retail buildings is trending down. With the majority of the Town's commercial destinations located along arterial roads, including Route 9, the Town proposes to facilitate new residential development in these areas to strengthen the vitality of these districts and give residents the choice of living closer to employment and commercial destinations. The DCTC's Long Range Transportation Plan identifies the construction of new multi-family housing, especially near employment centers, as a key component to reducing commute times which tend to increase as residents move further away due to rising housing costs.

Is the project of a speculative nature?

Response: As identified in the Town of Poughkeepsie Comprehensive Plan (2021) and established in the Town's R-M Zoning Distrct description, this area is designated for and in need of new multi-family residential development. The need for new housing construction is further supported by the findings of the 2022 Dutchess County Housing Assessment. While all business ventures in this climate are speculative to some degree, the project management team has vast experience in developing, constructing, and operating highly successful residential projects, and therefore feels confident that the speculative nature of the project can be mitigated for both DCIDA and investor partners.

Section 3: Project Evaluation and Assistance Framework

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

Response: During the construction phase of the project the developer will hire a General Contractor who will utilize all available means to source labor from the local nine county workforce area, as outlined in the IDA Local Workforce Utilization Policy. The GC will be directed to coordinate with DCIDA staff for local workforce outreach. The company will announce and recruit for permanent jobs locally.

Exhibit B

Detailed Project Description

Locust Grove Apartments
2736 – 2738 South Road
Poughkeepsie, NY 12601
Detailed Project Description

PROJECT DESCRIPTION

The Locust Grove Apartments is a proposed multi-family development situated along South Road between Field Court and Sharon Drive in the Town of Poughkeepsie. Located on the west side of the Town, approximately 2.5 miles south of the City of Poughkeepsie, this project will deliver much needed housing in an area presently filled with valuable commercial, retail, and recreational destinations. The site is also strategically located for residents commuting into the City of Poughkeepsie or to other regional employment centers along Route 9.

The project proposes to improve a currently vacant parcel with four (4) two-story apartment buildings, each containing eight (8) residential units. The site is designed with the residences positioned set back from Route 9 and incorporates a variety of landscaping to provide shielding from the road, shade, and green space for residents. The proposed 68 parking spaces include six (6) ADA spaces as well as four (4) electric vehicle charging stations.

The buildings are designed in a traditional style with gabled roofs, columns, and a combination of wood and stone exteriors that are complementary to the existing houses along Field Court. Exterior patios on the first floor and balconies on the second floor provide each unit with private outdoor space. Each building contains eight (8) two-bedroom units of varying sizes and layouts which can be attractive to a variety of renters including growing families, employees of local businesses, workers with hybrid schedules, and students or faculty of the region's colleges and universities.

Increasing the supply of multifamily rental housing near established community centers is essential for meeting the growing demand for housing and is strongly supported by Dutchess County and Town of Poughkeepsie residents alike. The 2022 Dutchess County Housing Needs Assessment identifies increasing the supply of new multi-family rental developments – like the proposed Locust Grove Apartments – as imperative to helping Dutchess County "catch up" on the unmet need for rental housing. The Town of Poughkeepsie's 2021 Comprehensive Plan Update establishes a goal of facilitating infill housing development within existing and growing community centers. To this end, the Plan identifies an Opportunity Area for this style of development just south of 2736-2738 South Ave at the Hudson Plaza Shopping Center, positioning

the Locust Grove Apartments near what will hopefully become a thriving and vibrant mixed-use neighborhood in the near future.

SALES AND MORTGAGE TAX EXEMPTION

The Dutchess County Industrial Development Agency's (IDA) financial assistance is necessary to realize a reasonable return on investment in the project as proposed. Without the requested benefits, the economics of the project are unfeasible, and the project would not be built.
The applicant is seeking assistance from the Dutchess County IDA for the following:

	Project Tax Revenue without Proposed IDA Assistance (project not feasible)	**Project Tax Revenue with Proposed IDA Assistance**	**Proposed Tax Exemption**	**Tax Revenue if Project is Not Built**
Sales Tax (Construction)	$442,567.13[1]	$0.00	$442,567.13	$0.00
Mortgage Tax	$105,000.00[2]	$0.00	$105,000.00	$0.00

[1] This number represents sales tax generated from the total cost associated with the construction of the four buildings and associated infrastructure which is estimated to be $7,781,400.00. Of this total, 70% is expected to be costs subject to sales tax (i.e., machinery and equipment) and 30% is expected to be labor and operating costs. The current sales tax rate is 8.125%.

70% of $7,781,400.00 = $5,446,980* 8.125% = $442,567.13

[2] The anticipated mortgage for this project is $10,000,000.00 and the current mortgage tax rate is 1.05%.

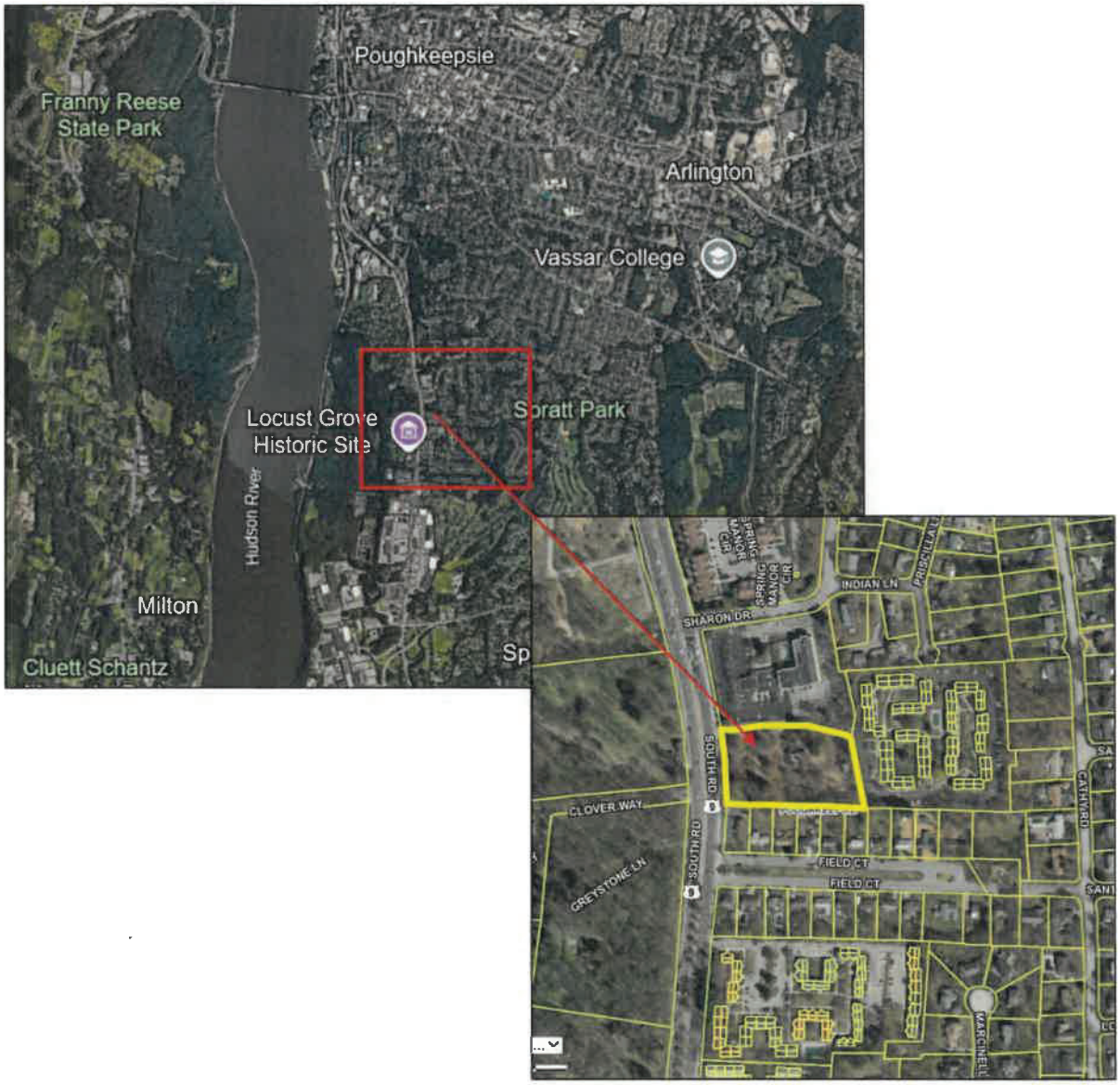
$10,000,000.00* 1.05% = $105,000.00

1. Sales Tax Exemption

   During construction, the project would generate $442,567.13 in Sales Tax. The Applicant is seeking a Sales Tax Exemption in the amount of (approximately) $442,567.13.

2. The project is seeking an Exemption from the Mortgage Tax. Currently, the mortgage tax for multifamily residential properties is 1.05%. The anticipated mortgage for the project is $10,000,000.00 which equates to a mortgage tax of $105,000.00. The applicant is seeking a Mortgage Tax Exemption for $105,000.00.

TOWN CONTEXT MAPS



Building Elevations

Front Elevation

Right Elevation

Rear Elevation

Left Elevation

Site Plan

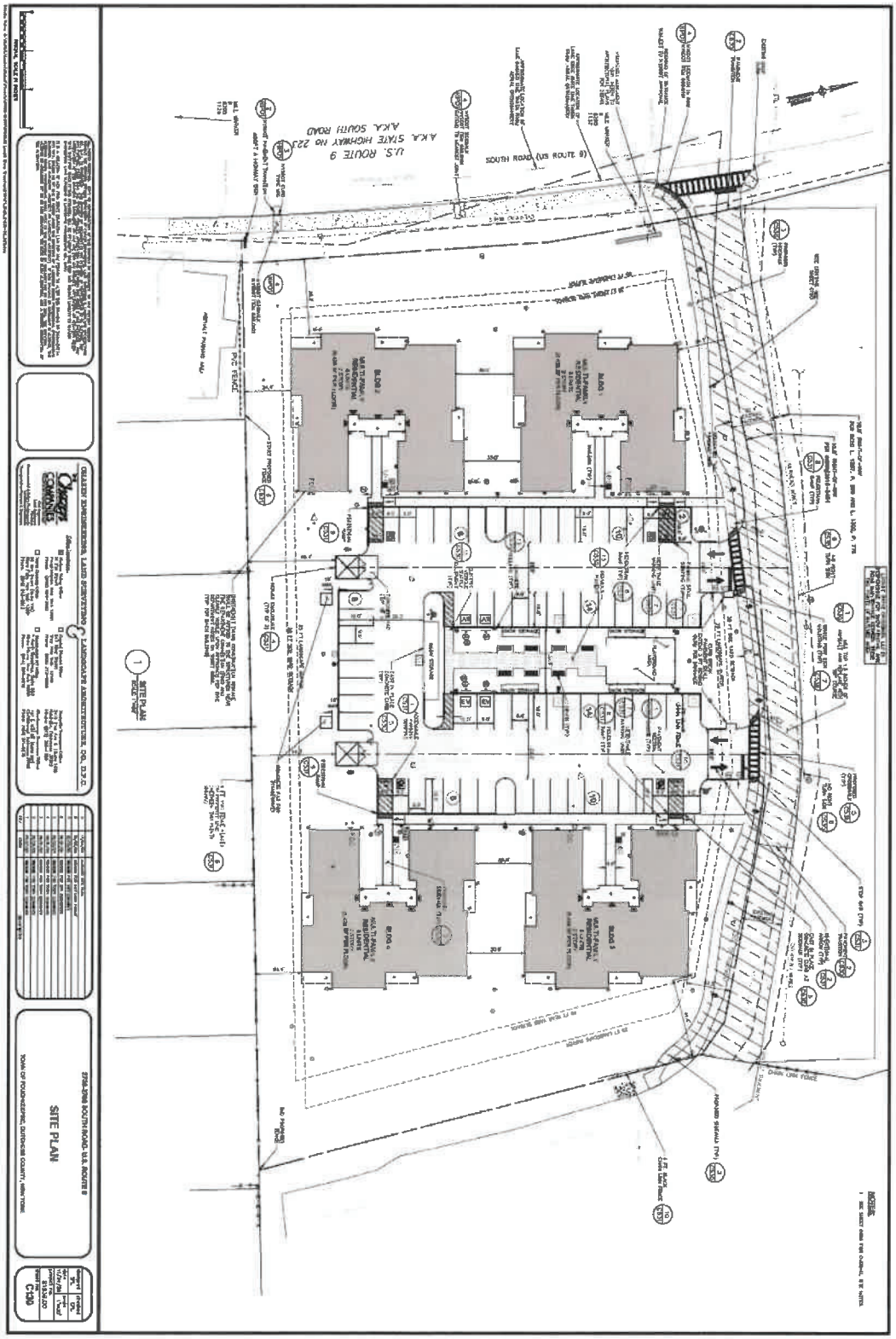

SITE PLAN
SOUTH ROAD (US ROUTE 9)
U.S. ROUTE 9
A.K.A. STATE HIGHWAY NO 22A
A.K.A. SOUTH ROAD
BLDG 1
BLDG 2
BLDG 3
BLDG 4
MULTI-FAMILY RESIDENTIAL
SITE PLAN
2798-2798 SOUTH ROAD, U.S. ROUTE 9
TOWN OF POUGHKEEPSIE, DUTCHESS COUNTY, NEW YORK
C300

Exhibit C

NOI and Proforma

LOCUST GROVE TOTAL COST ACQUISITION & CONSTRUCTION

Acquisition, Approvals, Bldg. & Infrastructure Costs, Carrying Costs & Misc.

3/11/2026

Building Cost = 4 Bldg's		
(10,550 SQ. FT. @ $137 per)	$	5,781,400.00
Infrastructure Labor & Materials	$	2,000,000.00
Acquisition Cost	$	1,400,000.00
Additional Equity Investment as of 3/11/26	$	268,109.75
Rec Fee's 32 units x $2,500 ea	$	80,000.00
Loan Closing Costs	$	200,000.00
Construction Management Fee	$	1,000,000.00
Loan Carrying Costs during 15mo Const. Period		
(interest only) average balance of 4mil @ 9% x 15mos	$	450,000.00
Design Engineering Fee's	$	60,000.00
Town Escrow Fee's	$	10,000.00
SWPPP Fee's	$	35,000.00
Engineer Inspection Fee's	$	5,000.00
Building Plan Fee's	$	40,000.00
Building Permit fee's	$	24,000.00
Sanitary/Dumpsters	$	22,000.00
Surveying	$	16,000.00
Taxes	$	30,000.00
	$	11,421,509.75

Current Owners Investestment (as of 3/2/26)	$	1,668,109.75

NOI LOCUST GROVE

PROJECTED ANNUAL INCOME		
Projected Annual Income (32 units @ $3,000-$96,000*12 mos)	$	1,152,000.00
Less: 2% Vacancy Factor:	$	23,040.00
TOTAL INCOME:	**$**	**1,128,960.00**

PROJECTED ANNUAL EXPENSES		
Realtor comm	$	39,900.00
Electric (common areas)	$	13,300.00
Taxes	$	146,300.00
Accounting	$	1,995.00
Repairs and Maintenance	$	15,960.00
Insurance	$	29,260.00
Water	$	11,970.00
Landscaping	$	13,300.00
Buildium Subscription	$	3,857.00
Alarm Monitoring	$	6,251.00
Sprinkler Inspection	$	2,660.00
Waste Removal / Recycling	$	18,620.00
TOTAL EXPENSES:	**$**	**303,373.00**

Income	**$**	**1,128,960.00**
Expenses	**$**	**303,373.00**
NOI	**$**	**825,587.00**

Potential Appraised Value:
NOI=$825,587 @ 6.5% CAP $ 12,701,338.46

Exhibit D

Site Plan Resolution

Town of Poughkeepsie
Planning Department

1 Overocker Road
Poughkeepsie, NY 12603

845-485-3657 Phone

December 19, 2025

Sent via email to clapine@LaBellaPC.com

Christopher P. Lapine, P.E., LEED AP
LaBella Associates | Senior Civil Engineer
Vice President
21 Fox Street
Poughkeepsie, NY 12601

RE: LOCUST GROVE CROSSING, LLC – 2736-2738 SOUTH ROAD – AMENDED SITE PLAN
Grid # 6161-03-078100

Dear Mr. Lapine:

This letter is to inform you of the action taken by the Town of Poughkeepsie Planning Board at a meeting held on December 18, 2025, at which time you requested a SEQRA Consistency Review, Amended Site Plan Review, and Architectural Review for the development of a 32-unit multifamily development in four (4) buildings, eight units per building, with associated parking. The proposed buildings will be two (2) stories at 5,428 square feet per floor. Residence, Multifamily (R-M) Zoning District; ± 2.68 acres; Unlisted Action; *Locust Grove Crossing LLC, Applicant.*

A motion was made to open the public hearing.

Moved: Carl Whitehead
Seconded: Nicole Gemmati
Carried: 6-0

A motion was made to close the public hearing.

Moved: Carl Whitehead
Seconded: Nicole Gemmati
Carried: 6-0

A motion was made that the Planning Board hereby adopt a SEQRA consistency determination finding that Locust Grove Crossing, LLC – 2736-2738 South Road, as modified, is not anticipated to create any new adverse environmental effects and reaffirm its prior determination of non-significance (negative declaration) dated June 20, 2024.

Moved: Nicole Gemmati
Seconded: Rocco Romeo
Carried: 6-0

A motion was made that the Planning Board grant conditional site plan approval for Locust Grove Crossing, LLC – 2736-2738 South Road – Amended Site Plan project, subject to the following:

Respond to comments of the Planning Board and those received from Town departments and Agencies and said response to be reviewed by the Planning Department as to adequacy and completeness, inclusive of, but not limited to, the following:

1. Town Planning Department comments dated December 12, 2025.
2. Town Building Department comments dated December 8, 2025.
3. Town Water Department comments dated December 8, 2025.
4. Arlington Fire Department comments dated December 8, 2025.
5. Town Engineering Department comments dated December 8, 2025.
6. Town Zoning Department comments dated December 4, 2025.
7. DC Department of Planning and Development comments dated December 4, 2025.
8. Town Sewer Department comments dated November 26, 2025.
9. DC Department of Health review.
10. Planning Board comments.
    a. Applicant to look into the possibility of opening roadway access from Greenbriar to Priscilla Lane. Coordination with the Town Highway Department would be required and may require that the applicant come back to the Planning Board for this amendment.
    b. Applicant to work with staff to identify locations of HVAC units. To be fully screened with evergreen or similar—nothing that takes too long to grow.
    c. Applicant to review proposed snow storage and confirm placement of a note on the site plan stating that snow will be removed in the event of a significant event.
    d. Applicant to consider changing the name of the proposed apartment complex. "Locust Grove" will cause confusion with historic landmark across the street.

Moved: Nicole Gemmati
Seconded: Rocco Romeo
Carried: 6-0

A motion was made to conditionally approve the architecture as presented, subject to:

1. Applicant to work with staff to identify locations of HVAC units. To be fully screened with evergreen or similar—nothing that takes too long to grow.

Moved: Carl Whitehead
Seconded: Nicole Gemmati
Carried: 6-0

NOTE TO THE APPLICANT:

In responding to the comments of the Planning Board, Planning Department Staff, any of the various Town Departments and Agencies, and any of the Town's consultants, it is the responsibility of the applicant to prepare appropriate and complete responses to each and every comment contained in the comment letter(s) and memoranda listed above. Failure to submit appropriate and complete responses to each and every comment as noted may result in the removal of the application from the Planning Board agenda, or may delay plan signatures pending a revised response.

Very truly yours,

Carl Whitehead

Carl Whitehead
Planning Board Chairman

PRESENT	ABSENT
Chairman Whitehead	
Member Fanelli	
Member Gemmati	
Member Levasseur	
	Member McSween
Member Romeo	
	Member Siddam
Member Simpson, Alt.	
	Member Treybich, Alt.

CW:rlp
cc: Lisa Cobb, Esq., The Law Offices of Lisa M. Cobb, Planning Board Attorney, via email
John Goetz, Mid-Hudson Development Corp., via email
Carolyn Reid, LaBella Associates, via email

Exhibit F

SEAF

Short Environmental Assessment Form
Part 1 - Project Information

Instructions for Completing

Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. 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.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 – Project and Sponsor Information

Locust Grove Apartments

Name of Action or Project:
Locust Grove Apartments

Project Location (describe, and attach a location map):
2736-2738 South Road, Poughkeepsie, NY 12601 (see Appendix A)

Brief Description of Proposed Action:
The construction of a new garden style apartment complex consisting of four individual buildings.

Name of Applicant or Sponsor:	Telephone: 845.594.1055
Mid-Hudson Development Corporation c/o KARC Planning Consultants	E-Mail: kelly@karcpc.com

Address:
PO Box 924

City/PO:	State:	Zip Code:
Poughkeepsie	NY	12602

	NO	YES
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.	☑	☐
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval:	☑	☐

3. a. Total acreage of the site of the proposed action? 2.46 acres
   b. Total acreage to be physically disturbed? 1.18 acres
   c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? 2.46 acres

4. Check all land uses that occur on, are adjoining or near the proposed action:

5. ☑ Urban ☐ Rural (non-agriculture) ☐ Industrial ☑ Commercial ☑ Residential (suburban)
   ☐ Forest ☐ Agriculture ☐ Aquatic ☐ Other(Specify):
   ☐ Parkland

5. Is the proposed action,	NO	YES	N/A
a. A permitted use under the zoning regulations?	☐	☑	☐
b. Consistent with the adopted comprehensive plan?	☐	☑	☐

6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES
	☐	☑

7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?	NO	YES
If Yes, identify: _____	☑	☐

8.	NO	YES
a. Will the proposed action result in a substantial increase in traffic above present levels?	☑	☐
b. Are public transportation services available at or near the site of the proposed action?	☐	☑
c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	☐	☑

9. Does the proposed action meet or exceed the state energy code requirements?	NO	YES
If the proposed action will exceed requirements, describe design features and technologies: _____	☐	☑

10. Will the proposed action connect to an existing public/private water supply?	NO	YES
If No, describe method for providing potable water: _____	☐	☑

11. Will the proposed action connect to existing wastewater utilities?	NO	YES
If No, describe method for providing wastewater treatment: _____	☐	☑

12.	NO	YES
a. 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?	☑	☐
b. 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?	☐	☑

13.	NO	YES
a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	☑	☐
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody?	☑	☐
If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____		

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply:

☐ Shoreline ☐ Forest ☐ Agricultural/grasslands ☐ Early mid-successional

☐ Wetland ☑ Urban ☑ Suburban

	NO	YES
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered? Indiana Bat	☐	☑
16. Is the project site located in the 100-year flood plan?	☑	☐
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,	☐	☑
a. Will storm water discharges flow to adjacent properties?	☑	☐
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: Project proposes the construction of new drainage pipes to be connected with existing catch basins and established storm water management system.	☐	☑
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment:	☑	☐
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe:	☑	☐
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe:	☑	☐

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE

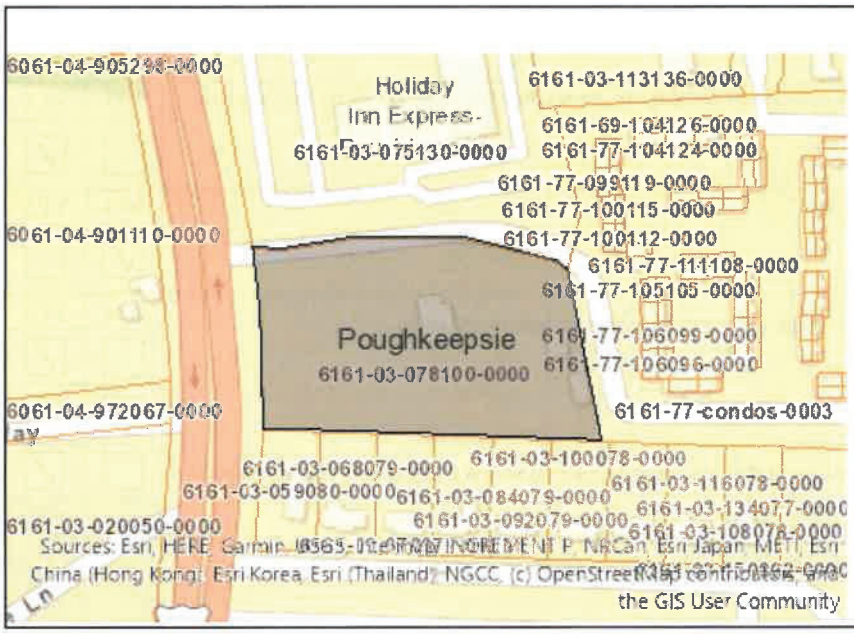
Applicant/sponsor/name: Kelly Libolt Date: 05/27/2026

Signature: KLibolt Title:

PRINT FORM

EAF Mapper Summary Report

Monday, March 2, 2026 10:48 AM



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 to confirm data provided by the Mapper or to obtain data not provided by the Mapper.

Part 1 / Question 7 [Critical Environmental Area]	No
Part 1 / Question 12a [National or State Register of Historic Places or State Eligible Sites]	No
Part 1 / Question 12b [Archeological Sites]	Yes
Part 1 / Question 13a [Wetlands or Other Regulated Waterbodies]	Digital mapping data are not available or are incomplete. Refer to EAF Workbook.
Part 1 / Question 15 [Threatened or Endangered Animal]	Yes
Part 1 / Question 15 [Threatened or Endangered Animal - Name]	Indiana Bat
Part 1 / Question 16 [100 Year Flood Plain]	No
Part 1 / Question 20 [Remediation Site]	No

SUPPLEMENTAL AUTHORIZING RESOLUTION
(Rolling Frito-Lay Sales, LP 2021 Project)

At a regular meeting of the Dutchess County Industrial Development Agency (the "Agency") convened in public session on August 26, 2026 at 8:00 a.m., local time at Three Neptune Road, Poughkeepsie, New York, the following members of the Agency were:

PRESENT: Mark Doyle, Chairman
Ronald J. Piccone, II, Vice Chairman/Treasurer
Thomas J. LeCount, Secretary
Amy L. Bombardieri
Brian C. Berryann
Kristofer Munn

ABSENT:

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

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a certain industrial development facility (Rolling Frito-Lay Sales, LP 2021 Project) as more particularly described below:

SUPPLEMENTAL RESOLUTION OF THE DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE EXTENSION OF THE COMPLETION DATE FOR THE PROJECT AND AN AMENDMENT TO THE NUMBER OF FULL TIME EQUIVALENT EMPLOYEES REQUIRED TO BE CREATED AND MAINTAINED AT THE FACILITY IN CONNECTION WITH A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR ROLLING FRITO-LAY SALES, LP, AND APPROVING THE EXECUTION OF RELATED DOCUMENTS.

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

WHEREAS, the Agency previously provided its assistance to ROLLING FRITO-LAY SALES, LP, a Delaware limited partnership authorized to transact business in New York, having offices at 7701 Legacy Drive, Plano, Texas 75024 (the "**Company**"), for the following project (the "**Project**") in connection with the acquisition, construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of a certain distribution and warehousing facility (the "**Facility**") consisting of the following:

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

DRAFT

(A) The construction of one approximately 150,000 square foot, multi-story structure to be used as a high-technology fulfillment center, one approximately 6,000 square foot, one-story structure to be used as a fleet center, and one approximately 400 square foot, one-story structure to be used as a guard house (collectively, the "**Improvements**") located on approximately 28.42 acres of land located at 10-350 North Drive, Town of East Fishkill, County of Dutchess, State of New York, being portions of three parcels of land bearing Tax Map Grid Nos. 132800-6356-04-861300, 132800-6356-04-950353, 132800-6456-03-054349 (the "**Land**"); and

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

WHEREAS, the Project was approved by resolution duly adopted by the Agency on November 10, 2021 (the "**Authorizing Resolution**"); and

WHEREAS, the Facility was leased by the Company to the Agency pursuant to the terms of the Company Lease Agreement, dated as of December 1, 2021 (the "**Company Lease Agreement**"), by and between the Company, as lessor, and the Agency, as lessee; and

WHEREAS, the Company agreed to transfer to the Agency title to the Equipment pursuant to a Bill of Sale (the "**Bill of Sale**"); and

WHEREAS, the Agency subleased the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of December 1, 2021 (the "**Lease Agreement**"), by and between the Agency, as sublessor, and the Company, as sublessee; and

WHEREAS, pursuant to Section 3.6 of the Lease Agreement, the Company agreed to complete the construction and equipping of the Facility no later than December 31, 2024 (the "**Original Completion Date**"); and

WHEREAS, pursuant to Section 8.11 of the Lease Agreement, the Company agreed to create and maintain at all times at the Facility eighty (80) full time equivalent employees ("**FTEs**") as of December 31, 2026, being within two (2) years of the Original Completion Date, and thereafter throughout the term of the Lease Agreement; and

WHEREAS, the Company has represented that construction of the Facility has been completed; however, the commencement of operations at the Facility has been delayed due to external economic factors affecting business performance and market demand; and

WHEREAS, on January 16, 2025, the Company submitted a request to the Agency for an amendment to the Lease Agreement to extend the Completion Date for the Project from December 31, 2024 to December 31, 2026; and

WHEREAS, on March 31, 2026, the Company submitted a follow-up request to the Agency reaffirming its request for the extension, citing broader economic conditions affecting business performance and market demand, and representing that the Company anticipates commencing operations at the Facility by December 31, 2026; and

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

DRAFT

WHEREAS, the Company further requested that the Agency amend Section 8.11 of the Lease Agreement to reduce the number of FTEs that the Company is required to create and maintain at the Facility from eighty (80) FTEs to twenty-nine (29) FTEs, and to correspondingly provide that such FTEs shall be created and maintained as of December 31, 2028, being within two (2) years of the Completion Date, as extended (the "**FTE Amendment**"); and

WHEREAS, the Agency has reviewed the Company's requests and the materials submitted by the Company in support thereof; and

WHEREAS, in connection therewith, the Company and the Agency intend to amend the Lease Agreement pursuant to the terms of an Amendment Agreement dated as of May 1, 2026 (the "**Amendment Agreement**") to (i) extend the Completion Date for the Project from December 31, 2024 to December 31, 2026, and (ii) amend Section 8.11 of the Lease Agreement to reduce the number of FTEs required to be created and maintained at the Facility from eighty (80) FTEs to twenty-nine (29) FTEs as of December 31, 2028 and thereafter throughout the term of the Lease Agreement.

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

Section 1. The Board of Directors of the Agency hereby approves (i) the extension of the Completion Date for the Project to no later than December 31, 2026, and (ii) the FTE Amendment, such that the Company shall be required to create and maintain at all times at the Facility twenty-nine (29) FTEs as of December 31, 2028 (being within two (2) years of the Completion Date, as extended) and thereafter throughout the term of the Lease Agreement.

Section 2. The Agency otherwise hereby reaffirms and readopts all the findings and determinations in the Authorizing Resolution.

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

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

Section 5. This resolution shall take effect immediately.

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

DRAFT

This resolution was duly moved by [ ] seconded by [ ], discussed and adopted with the following members voting:

Mark Doyle, Chairman	VOTING
Ronald J. Piccone, II, Vice Chairman/Treasurer	VOTING
Thomas J. LeCount, Secretary	VOTING
Amy L. Bombardieri	VOTING
Brian C. Berryann	VOTING
Kristofer Munn	VOTING

The Resolution was thereupon declared duly adopted.

Adopted: August 26, 2026

DRAFT

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

AMENDMENT AGREEMENT

This Amendment Agreement, dated as of September 1, 2026 (this "**Amendment Agreement**"), is by and between ROLLING FRITO-LAY SALES, LP, a limited partnership duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of New York, having its principal office at 7701 Legacy Drive, Plano, Texas 75024 (the "**Company**") and the DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, having its office at 3 Neptune Road, Poughkeepsie, New York 12601 (the "**Agency**").

WHEREAS, the Agency previously provided its assistance to the Company for the following project (the "**Project**") in connection with the acquisition, construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of a certain distribution and warehousing facility (the "**Facility**") consisting of the following:

(A) The construction of one approximately 150,000 square foot, multi-story structure to be used as a high-technology fulfillment center, one approximately 6,000 square foot, one-story structure to be used as a fleet center, and one approximately 400 square foot, one-story structure to be used as a guard house (collectively, the "**Improvements**") located on approximately 28.42 acres of land located at 10-350 North Drive, Town of East Fishkill, County of Dutchess, State of New York, being portions of three parcels of land bearing Tax Map Grid Nos. 132800-6356-04-861300, 132800-6356-04-950353, 132800-6456-03-054349 (the "**Land**"); and

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

WHEREAS, the Project was approved by resolution duly adopted by the Agency on November 10, 2021 (the "**Authorizing Resolution**"); and

WHEREAS, the Facility was leased by the Company to the Agency pursuant to the terms of the Company Lease Agreement, dated as of December 1, 2021 (the "**Company Lease Agreement**"), by and between the Company, as lessor, and the Agency, as lessee; and

WHEREAS, the Company agreed to transfer to the Agency title to the Equipment pursuant to a Bill of Sale (the "**Bill of Sale**"); and

WHEREAS, the Agency subleased the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of December 1, 2021 (the "**Lease Agreement**"), by and between the Agency, as sublessor, and the Company, as sublessee; and

WHEREAS, pursuant to Section 3.6 of the Lease Agreement, the Company agreed to complete the construction and equipping of the Facility no later than December 31, 2024 (the "**Original Completion Date**"); and

WHEREAS, pursuant to Section 8.11 of the Lease Agreement, the Company agreed to create and maintain at all times at the Facility eighty (80) full time equivalent employees ("**FTEs**")

DRAFT

as of December 31, 2026, being within two (2) years of the Original Completion Date, and thereafter throughout the Lease Term; and

WHEREAS, the Company has represented that construction of the Facility has been completed; however, the commencement of operations at the Facility has been delayed due to external economic factors affecting business performance and market demand; and

WHEREAS, the Company therefore requested an extension of the Original Completion Date from December 31, 2024 to December 31, 2026 (the "**Extension**");

WHEREAS, the Company has further requested that the Agency amend Section 8.11 of the Lease Agreement to reduce the number of FTEs that the Company is required to create and maintain at the Facility from eighty (80) FTEs to twenty-nine (29) FTEs, and to correspondingly provide that such FTEs shall be created and maintained as of December 31, 2028, being within two (2) years of the Completion Date, as extended (the "**FTE Amendment**"); and

WHEREAS, the Company represents that the Project Work (as defined in the Lease Agreement, as amended) will be completed and the Facility will commence operations by December 31, 2026; and

WHEREAS, the Agency approved the Extension and the FTE Amendment by resolution duly adopted on [ ], 2026; and

WHEREAS, the Agency and the Company now intend to amend the Lease Agreement to reflect the Extension and the FTE Amendment.

AGREEMENT

For and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto do hereby mutually agree as follows:

ARTICLE I
DEFINITIONS

All capitalized terms used in this Amendment Agreement and not otherwise defined herein shall have the meanings assigned thereto in the Schedule of Definitions attached to the Lease Agreement as Schedule A and made a part hereof.

ARTICLE II
AMENDMENT OF THE LEASE AGREEMENT

Section 2.1 Consent to the Extension and the FTE Amendment. The Agency hereby consents to the Extension and the FTE Amendment.

Section 2.2 Amendment of Section 3.6 of the Lease Agreement. The Company and the Agency agree to amend the Lease Agreement by replacing in its entirety Section 3.6 of the Lease Agreement to read as follows:

DRAFT

"Section 3.6 Certificates of Completion. To establish the Completion Date, the Company shall deliver to the Agency (i) a certificate signed by an Authorized Representative of the Company in the form set forth in Exhibit J attached hereto, together with all attachments required thereunder stating (a) that the Project Work has been completed in accordance with the Plans and Specifications therefor, and (b) that payment for all labor, services, materials and supplies used in such Project Work has been or will be made or provided for; (ii) the Final Project Cost Budget, which budget will include a comparison with the project cost budget information listed in the Project Application Information and shall include all costs paid or incurred by the Company in connection with the Facility; and (iii) such other certificates and information as may be reasonably satisfactory to the Agency. The Company shall not be entitled to any refund or credit of the Agency's fee if the Final Project Cost Budget is lower than provided in the Project Application Information. The Company agrees that the Completion Date shall be no later than December 31, 2026 as may be adjusted due to force majeure, as that term is defined herein, or otherwise by mutual agreement of the parties hereto."

Section 2.3 Amendment of Section 8.11 of the Lease Agreement. The Company and the Agency agree to amend the Lease Agreement by replacing in its entirety Section 8.11 of the Lease Agreement to read as follows:

"Section 8.11 Employment at the Facility. The Company hereby agrees to create and maintain at all times at the Facility: twenty-nine (29) full time equivalent employees as of December 31, 2028 (within two (2) years of the Completion Date) and thereafter throughout the Lease Term, calculated on the basis of 35 hours per week who are employees of the Company or any subsidiary or affiliates of the Company, or any consultants, contractors or subcontractors of the Company, or any subsidiary or affiliates of the Company, whose place of employment or workplace is located at the Facility (including the full time equivalent employees of all tenants at the Facility) ("**FTE**")."

Section 2.4 References to Section 8.11. All references in the Lease Agreement and in any other Agency Document or Company Document to Section 8.11 of the Lease Agreement, to the FTEs required to be created and maintained at the Facility, or to the number of FTE jobs provided in Section 8.11 of the Lease Agreement (including, without limitation, the references in Sections 5.4(c)(4), 8.5, 8.12 and 10.1(a)(ii) of the Lease Agreement), shall be deemed to refer to Section 8.11 of the Lease Agreement as amended by this Amendment Agreement.

ARTICLE III
MISCELLANEOUS

Section 3.1 Binding Effect. This Amendment Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns.

Section 3.2 Severability. In the event any provision of this Amendment Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

DRAFT

Section 3.3 Amendments, Changes and Modifications. This Amendment of Agreement may not be amended, changed, modified, altered or terminated except in a writing executed by the parties hereto.

Section 3.4 Execution of Counterpart. This Amendment of Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 3.5 Applicable Law. This Amendment of Agreement shall be governed exclusively by the applicable laws of the State of New York without regard or reference to its conflict of laws principles.

Section 3.6 Ratification of Agency Documents. Except as otherwise amended and modified by this Amendment Agreement, the Agency Documents (as defined in the Lease Agreement), as amended by this Amendment Agreement, are hereby ratified and confirmed and remain in full force and effect.

(Remainder of Page Intentionally Left Blank – Signature Page Follows)

DRAFT

The Agency and the Company have caused this Amendment Agreement to be signed as of the date first above written.

DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: _____
Name: Robin D. Mack
Title: Executive Director

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

On the ___ day of in the year 2026, before me, the undersigned, personally appeared **Robin D. Mack**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person or entity on behalf of which the individual acted, executed the instrument.

_____
Notary Public

DRAFT

ROLLING FRITO-LAY SALES, LP

By: _____
Name:
Title:

STATE OF)
: SS.:
COUNTY OF)

On the ___ day of in the year 2026, before me, the undersigned, personally appeared **,** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person or entity on behalf of which the individual acted, executed the instrument.

_____
Notary Public

DRAFT

Dutchess County DCida Industrial Development Agency

IDA Board Member Project Evaluation Checklist

Project: #13022104 Rolling Frito-Lay Sales LP

X Kathleen Bauer
X Amy Bombardieri
X Tim Dean
X Mark Doyle
X Jamie Piccone II
___ Don Sagliano (absent)
X Alfred Torreggiani

I:\IDA\Compliance\Acknowledgement Checklists\2021 DCIDA Board Project Evaluation Checklist.Docx

DCida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

Project: Rolling Frito-Lay Sales LLP #13022104 **Location:** Town of East Fishkill

Type of Business: Warehouse / Distribution

Agency Request

Sales Tax [X] Mortgage Tax Exemption [ ] PILOT [X]

Company Description:

Rolling Frito-Lay Sales LP is the sales and distribution entity for Frito-Lay in the United States. Frito-Lay makes, markets, distributes and sells branded snack food such as Cheetos, Doritos, Fritos, Lay's potato chips, Ruffles potato chips and Tostitos tortilla chips as well as branded dips. Frito-Lay is a wholly owned subsidiary of PepsiCo, a Fortune 50 company, and considered one of the World's Most Admired Companies" by Fortune magazine.

Project Description:

T Rolling Frito-Lay Sales LP proposes to develop and own the facility to be located at 10-350 North Drive, in East Fishkill (parcel is currently owned by iPark). The proposed project would develop the property into a warehouse and distribution facility of approximately 158,000 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: Fourth Quarter 2021

The actual or expected dates of:

Construction completion: Q4 2024

Occupancy: Q4 2024

Total Cost of Project:

Amount Private Investment

Total Project Cost $__100,000,000___ Private Investment: $_100,000,000

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

Construction Costs: $_31,000,000__ Equipment: $49,600,000

Company Incentives:

Amount of Sales tax benefits:	$5,900,000
Amount of Mortgage Recording Tax:	$0
Estimated real property tax exemption with PILOT*	$3,4320,00 over 15 years

** based on InformAnalytics algorithms*

Estimated amount of benefit to State & Region*:

Anticipated Property Tax revenue:	$5,956,000
Anticipated Sales Tax revenue	$7,248,000
Benefit to Cost Ratio	12:1

**figures based on InformAnalytics algorithms*

Estimated Property Value Increase

Current Assessed Value	Current Property Tax (2020)	Estimated New Assessed Value	Net Increase	Est. Year 1 Property Taxes Upon Expiration of PILOT
$973,775	$27,864	$21,500,000	$20,526,225	$851,881

Employment Impact

Committed total FTE jobs: ___80_____

Number of existing FTE jobs to be retained ___0___

Total Number of new FTE Jobs to be created __80__ over ___2__ years.

Annualized Average Salary Range of FTE jobs $__50,000____

Estimated Hourly Wage Average: $27/hr

Total Number of Construction Jobs to be created __80__

Jobs created in the Warehouse and Distribution Industry and Construction is estimated to have the following spillover impact.

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Initial	80	80
Direct	12	16
Indirect	4	5
Induced	23	11
Total Effect	119	112

EMSI Impact Scenario Report 8.24.2021

Community Benefits:

- *Revitalization:* The project is consistent the Town's requirements and would develop what is currently an underutilized parking lot. The project is consistent with the town's zoning code section 194.46.7 a special zoning code for the redevelopment of the iPark industrial park.
- *Target Industry*: Manufacturing / Distribution
- *Investment:* The project has an estimated project cost of approximately $100 million.
- *Employment*: The project is committing to the creation of 80 direct permanent jobs and is projected to create 80 direct construction jobs.
- Use of Local Contractor(s) and Labor: Yes___X___ No_____
- Use of resource conservation, energy efficiency, green technologies and alternative and renewable energy measures: Yes___X___ 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 and PILOT:

Municipal Support__X___ PILOT ___X__ Request for UTEP Deviation _X_(15 years)_

CEO Comments of Importance

The Applicant, Rolling Frito-Lay Sales LP proposes to construct a 158,000 square foot warehouse and distribution center at the former IBM West Campus. The site is currently an under-utilized parking lot.

The proposed project is consistent the special permitting and uses and meet the town's intent to develop the iPark Industrial Park site including logistics and distribution, a target industry for Dutchess County.

The Applicant has stated that the project would not be feasible without the assistance of the IDA and that IDA assistance is necessary to remain competitive with the regional economy. If the company is unable to secure IDA assistance, the company would seek a location outside of Dutchess County and/or New York State.

The project is projected to create 80 direct permanent jobs and 80 direct construction jobs. EMSI, the workforce analytics program estimates 39 additional construction jobs and 32 spillover jobs may be created as a result of the ripple effect of the project.

The average salaried positions is estimated at $50,000/ per year. The company also offers a comprehensive benefits package and other employee benefits to its eligible employees.

The project is requesting a 15 year deviated PILOT which has the support of the Town of East Fishkill and the Wappingers School District.

Board Member QUESTIONS /COMMENTS

Encouraging to see the Town of East Fishkill working with businesses to relocate to Hopewell. Helping to replace jobs lost by IBM cutbacks over the years.

Completed by Board Member Kathleen M. Bauer Date 10/5 2021

Print name Kathleen M. Bauer

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.

DCida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

Project: Rolling Frito-Lay Sales LLP #13022104 **Location:** Town of East Fishkill

Type of Business: Warehouse / Distribution

Agency Request

Sales Tax [X] Mortgage Tax Exemption [ ] PILOT [X]

Company Description:

Rolling Frito-Lay Sales LP is the sales and distribution entity for Frito-Lay in the United States. Frito-Lay makes, markets, distributes and sells branded snack food such as Cheetos, Doritos, Fritos, Lay's potato chips, Ruffles potato chips and Tostitos tortilla chips as well as branded dips. Frito-Lay is a wholly owned subsidiary of PepsiCo, a Fortune 50 company, and considered one of the World's Most Admired Companies" by Fortune magazine.

Project Description:

T Rolling Frito-Lay Sales LP proposes to develop and own the facility to be located at 10-350 North Drive, in East Fishkill (parcel is currently owned by iPark). The proposed project would develop the property into a warehouse and distribution facility of approximately 158,000 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: Fourth Quarter 2021

The actual or expected dates of:

Construction completion: Q4 2024

Occupancy: Q4 2024

Total Cost of Project:

Amount Private Investment

Total Project Cost $__100,000,000___ Private Investment: $_100,000,000

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

Construction Costs: $_31,000,000__ Equipment: $49,600,000

Company Incentives:

Amount of Sales tax benefits:	$5,900,000
Amount of Mortgage Recording Tax:	$0
Estimated real property tax exemption with PILOT*	$3,4320,00 over 15 years

** based on InformAnalytics algorithms*

Estimated amount of benefit to State & Region*:

Anticipated Property Tax revenue:	$5,956,000
Anticipated Sales Tax revenue	$7,248,000
Benefit to Cost Ratio	12:1

**figures based on InformAnalytics algorithms*

Estimated Property Value Increase

Current Assessed Value	Current Property Tax (2020)	Estimated New Assessed Value	Net Increase	Est. Year 1 Property Taxes Upon Expiration of PILOT
$973,775	$27,864	$21,500,000	$20,526,225	$851,881

Employment Impact

Committed total FTE jobs: ___80_____

Number of existing FTE jobs to be retained ___0___

Total Number of new FTE Jobs to be created __80__ over ___2__ years.

Annualized Average Salary Range of FTE jobs $__50,000____

Estimated Hourly Wage Average: $27/hr

Total Number of Construction Jobs to be created __80__

Jobs created in the Warehouse and Distribution Industry and Construction is estimated to have the following spillover impact.

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Initial	80	80
Direct	12	16
Indirect	4	5
Induced	23	11
Total Effect	119	112

EMSI Impact Scenario Report 8.24.2021

Community Benefits:

- *Revitalization:* The project is consistent the Town's requirements and would develop what is currently an underutilized parking lot. The project is consistent with the town's zoning code section 194.46.7 a special zoning code for the redevelopment of the iPark industrial park.
- *Target Industry*: Manufacturing / Distribution
- *Investment:* The project has an estimated project cost of approximately $100 million.
- *Employment*: The project is committing to the creation of 80 direct permanent jobs and is projected to create 80 direct construction jobs.
- Use of Local Contractor(s) and Labor: Yes___X___ No_____
- Use of resource conservation, energy efficiency, green technologies and alternative and renewable energy measures: Yes___X___ 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 and PILOT:

Municipal Support__X___ PILOT ___X__ Request for UTEP Deviation _X_(15 years)_

CEO Comments of Importance

The Applicant, Rolling Frito-Lay Sales LP proposes to construct a 158,000 square foot warehouse and distribution center at the former IBM West Campus. The site is currently an under-utilized parking lot.

The proposed project is consistent the special permitting and uses and meet the town's intent to develop the iPark Industrial Park site including logistics and distribution, a target industry for Dutchess County.

The Applicant has stated that the project would not be feasible without the assistance of the IDA and that IDA assistance is necessary to remain competitive with the regional economy. If the company is unable to secure IDA assistance, the company would seek a location outside of Dutchess County and/or New York State.

The project is projected to create 80 direct permanent jobs and 80 direct construction jobs. EMSI, the workforce analytics program estimates 39 additional construction jobs and 32 spillover jobs may be created as a result of the ripple effect of the project.

The average salaried positions is estimated at $50,000/ per year. The company also offers a comprehensive benefits package and other employee benefits to its eligible employees.

The project is requesting a 15 year deviated PILOT which has the support of the Town of East Fishkill and the Wappingers School District.

Board Member QUESTIONS /COMMENTS

Completed by Board Member _____ Date October 06, 2021

Print name Amy Bombardieri

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.

DCida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

Project: Rolling Frito-Lay Sales LLP #13022104 **Location:** Town of East Fishkill

Type of Business: Warehouse / Distribution

Agency Request

Sales Tax [X] Mortgage Tax Exemption [ ] PILOT [X]

Company Description:

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Project Timeline:

Proposed date for commencement of acquisition or construction: Fourth Quarter 2021

The actual or expected dates of:

Construction completion: Q4 2024

Occupancy: Q4 2024

Total Cost of Project:

Amount Private Investment

Total Project Cost $__100,000,000___ Private Investment: $_100,000,000

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

Construction Costs: $_31,000,000__ Equipment: $49,600,000

Company Incentives:

Amount of Sales tax benefits:	$5,900,000
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Estimated real property tax exemption with PILOT*	$3,4320,00 over 15 years

** based on InformAnalytics algorithms*

Estimated amount of benefit to State & Region*:

Anticipated Property Tax revenue:	$5,956,000
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Estimated Property Value Increase

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Committed total FTE jobs: ___80_____

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EMSI Impact Scenario Report 8.24.2021

Community Benefits:

- *Revitalization:* The project is consistent the Town's requirements and would develop what is currently an underutilized parking lot. The project is consistent with the town's zoning code section 194.46.7 a special zoning code for the redevelopment of the iPark industrial park.
- *Target Industry*: Manufacturing / Distribution
- *Investment:* The project has an estimated project cost of approximately $100 million.
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- Use of Local Contractor(s) and Labor: Yes___X___ No_____
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Municipal Support__X___ PILOT ___X__ Request for UTEP Deviation _X_(15 years)_

CEO Comments of Importance

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The project is requesting a 15 year deviated PILOT which has the support of the Town of East Fishkill and the Wappingers School District.

Board Member QUESTIONS /COMMENTS

Priority use of land with East Fishkill consent – distribution
Creates additional jobs with good benefits
Creates additional tax revenue
Also creates construction jobs

Completed by Board Member [signature] Date 10/7 2021

Print name Timothy E. Dean

DC ida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

Project: Rolling Frito-Lay Sales LLP #13022104 **Location:** Town of East Fishkill

Type of Business: Warehouse / Distribution

Agency Request

Sales Tax [X] Mortgage Tax Exemption [ ] PILOT [X]

Company Description:

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Board Member QUESTIONS /COMMENTS

I would hope that the operations and maintenance workers will be, or become residents of the County.

These should be well-paid, highly skilled jobs and auger well for the future.

As a farmer, I hope the company will eventually be able to utilize some of our local production.

Completed by Board Member _____ Date 10/ 05/ 2021 201__

Print name Mark Doyle

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.

DC ida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

Project: Rolling Frito-Lay Sales LLP #13022104 **Location:** Town of East Fishkill

Type of Business: Warehouse / Distribution

Agency Request

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Initial	80	80
Direct	12	16
Indirect	4	5
Induced	23	11
Total Effect	119	112

EMSI Impact Scenario Report 8.24.2021

Community Benefits:

- *Revitalization:* The project is consistent the Town's requirements and would develop what is currently an underutilized parking lot. The project is consistent with the town's zoning code section 194.46.7 a special zoning code for the redevelopment of the iPark industrial park.
- *Target Industry*: Manufacturing / Distribution
- *Investment:* The project has an estimated project cost of approximately $100 million.
- *Employment*: The project is committing to the creation of 80 direct permanent jobs and is projected to create 80 direct construction jobs.
- Use of Local Contractor(s) and Labor: Yes___X___ No_____
- Use of resource conservation, energy efficiency, green technologies and alternative and renewable energy measures: Yes___X___ 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 and PILOT:

Municipal Support__X___ PILOT ___X__ Request for UTEP Deviation _X_(15 years)_

CEO Comments of Importance

The Applicant, Rolling Frito-Lay Sales LP proposes to construct a 158,000 square foot warehouse and distribution center at the former IBM West Campus. The site is currently an under-utilized parking lot.

The proposed project is consistent the special permitting and uses and meet the town's intent to develop the iPark Industrial Park site including logistics and distribution, a target industry for Dutchess County.

The Applicant has stated that the project would not be feasible without the assistance of the IDA and that IDA assistance is necessary to remain competitive with the regional economy. If the company is unable to secure IDA assistance, the company would seek a location outside of Dutchess County and/or New York State.

The project is projected to create 80 direct permanent jobs and 80 direct construction jobs. EMSI, the workforce analytics program estimates 39 additional construction jobs and 32 spillover jobs may be created as a result of the ripple effect of the project.

The average salaried positions is estimated at $50,000/ per year. The company also offers a comprehensive benefits package and other employee benefits to its eligible employees.

The project is requesting a 15 year deviated PILOT which has the support of the Town of East Fishkill and the Wappingers School District.

Board Member QUESTIONS /COMMENTS

Increase tax base + Jobs.

Completed by Board Member James Picone Date 10/1 ~~2022~~ 2021

Print name James Picone

DC ida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

Project: Rolling Frito-Lay Sales LLP #13022104 **Location:** Town of East Fishkill

Type of Business: Warehouse / Distribution

Agency Request

Sales Tax [X] Mortgage Tax Exemption [ ] PILOT [X]

Company Description:

Rolling Frito-Lay Sales LP is the sales and distribution entity for Frito-Lay in the United States. Frito-Lay makes, markets, distributes and sells branded snack food such as Cheetos, Doritos, Fritos, Lay's potato chips, Ruffles potato chips and Tostitos tortilla chips as well as branded dips. Frito-Lay is a wholly owned subsidiary of PepsiCo, a Fortune 50 company, and considered one of the World's Most Admired Companies" by Fortune magazine.

Project Description:

T Rolling Frito-Lay Sales LP proposes to develop and own the facility to be located at 10-350 North Drive, in East Fishkill (parcel is currently owned by iPark). The proposed project would develop the property into a warehouse and distribution facility of approximately 158,000 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: Fourth Quarter 2021

The actual or expected dates of:

Construction completion: Q4 2024

Occupancy: Q4 2024

Total Cost of Project:

Amount Private Investment

Total Project Cost $__100,000,000___ Private Investment: $_100,000,000

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

Construction Costs: $_31,000,000__ Equipment: $49,600,000

Company Incentives:

Amount of Sales tax benefits:	$5,900,000
Amount of Mortgage Recording Tax:	$0
Estimated real property tax exemption with PILOT*	$3,4320,00 over 15 years

** based on InformAnalytics algorithms*

Estimated amount of benefit to State & Region*:

Anticipated Property Tax revenue:	$5,956,000
Anticipated Sales Tax revenue	$7,248,000
Benefit to Cost Ratio	12:1

**figures based on InformAnalytics algorithms*

Estimated Property Value Increase

Current Assessed Value	Current Property Tax (2020)	Estimated New Assessed Value	Net Increase	Est. Year 1 Property Taxes Upon Expiration of PILOT
$973,775	$27,864	$21,500,000	$20,526,225	$851,881

Employment Impact

Committed total FTE jobs: ___80_____

Number of existing FTE jobs to be retained ___0___

Total Number of new FTE Jobs to be created __80__ over ___2__ years.

Annualized Average Salary Range of FTE jobs $__50,000____

Estimated Hourly Wage Average: $27/hr

Total Number of Construction Jobs to be created __80__

Jobs created in the Warehouse and Distribution Industry and Construction is estimated to have the following spillover impact.

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Initial	80	80
Direct	12	16
Indirect	4	5
Induced	23	11
Total Effect	119	112

EMSI Impact Scenario Report 8.24.2021

Community Benefits:

- *Revitalization:* The project is consistent the Town's requirements and would develop what is currently an underutilized parking lot. The project is consistent with the town's zoning code section 194.46.7 a special zoning code for the redevelopment of the iPark industrial park.
- *Target Industry*: Manufacturing / Distribution
- *Investment:* The project has an estimated project cost of approximately $100 million.
- *Employment*: The project is committing to the creation of 80 direct permanent jobs and is projected to create 80 direct construction jobs.
- Use of Local Contractor(s) and Labor: Yes___X___ No_____
- Use of resource conservation, energy efficiency, green technologies and alternative and renewable energy measures: Yes___X___ 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 and PILOT:

Municipal Support__X___ PILOT ___X__ Request for UTEP Deviation _X_(15 years)_

CEO Comments of Importance

The Applicant, Rolling Frito-Lay Sales LP proposes to construct a 158,000 square foot warehouse and distribution center at the former IBM West Campus. The site is currently an under-utilized parking lot.

The proposed project is consistent the special permitting and uses and meet the town's intent to develop the iPark Industrial Park site including logistics and distribution, a target industry for Dutchess County.

The Applicant has stated that the project would not be feasible without the assistance of the IDA and that IDA assistance is necessary to remain competitive with the regional economy. If the company is unable to secure IDA assistance, the company would seek a location outside of Dutchess County and/or New York State.

The project is projected to create 80 direct permanent jobs and 80 direct construction jobs. EMSI, the workforce analytics program estimates 39 additional construction jobs and 32 spillover jobs may be created as a result of the ripple effect of the project.

The average salaried positions is estimated at $50,000/ per year. The company also offers a comprehensive benefits package and other employee benefits to its eligible employees.

The project is requesting a 15 year deviated PILOT which has the support of the Town of East Fishkill and the Wappingers School District.

Board Member QUESTIONS /COMMENTS

Completed by Board Member Alfred D. Torregiani Date 12/7 2021

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.

Megan Petillo
Economic Development Director
PepsiCo Global Real Estate
7100 Legacy Dr.
Plano, TX 75024

March 31, 2026

Robin Mack
CEO / Executive Director
3 Neptune Road, Ste A21
Poughkeepsie, NY 12601

Dear Ms. Mack,
PepsiCo is requesting an extension of the previously approved tax incentive associated with the East Fishkill, New York facility.

As noted in our extension request submitted in January 2025, construction of the facility has been completed; however, the start of operations has been delayed due to broader economic conditions affecting business performance and market demand.

PepsiCo remains fully committed to this project and to commencing operations at the East Fishkill facility. Based on current planning, the anticipated go-live date is December 31, 2026. This timing allows us to responsibly align startup with market conditions while maintaining the long-term viability of the investment.

The purpose of this extension request is to preserve the abatement while allowing sufficient time to bring the facility online consistent with the intent of the original agreement. This request does not change the scope of the project or PepsiCo's long-term commitment to Dutchess County.

We appreciate the continued partnership with Think Dutchess and the Dutchess County Industrial Development Agency and look forward to working together to ensure a successful project launch that delivers lasting economic benefit to the region.

Sincerely,

Megan Petillo

Megan Petillo
Economic Development Director
Pepsico Global Real Estate

Docusign Envelope ID: 77DF8DA0-D48D-4395-A4A3-1DE845268080

Deborah Whittemore
Economic Development Sr Director
PepsiCo Global Real Estate
700 Anderson Hill Rd
Purchase New York 10577-1401

January 16, 2025

Sarah Lee
CEO of Think Dutchess & Executive Director of Dutchess County Industrial Development Agency
3 Neptune Road
Poughkeepsie, NY 12601

Dear Ms. Lee,

I hope this letter finds you well. I am writing to formally request an extension on the date for the corporate tax incentive related to our new fulfillment center in East Fishkill, NY.

As you are aware, in December 2021, Frito-Lay announced a $100 million investment to build a 150,000-square-foot fulfillment center in East Fishkill. Despite completing the construction, the startup has been delayed due to external economic factors.

We are seeking an extension at the current agreed upon tax exemption through December 31, 2026. This extension will allow us to align our operations with the current economic environment and ensure we meet our obligations responsibly and sustainably.

We remain committed to the prosperity of Dutchess County and the Hudson Valley communities. Our existing facility continues to operate and serve the region, and we are eager to start operations at the new facility soon.

Thank you for your understanding and continued support. We look forward to working with you to achieve our mutual goals.

Sincerely,

DocuSigned by:
Deborah Whittemore
840D2BF7F7604CE...
Deborah Whittemore
Economic Development Sr Director
PepsiCo Global Real Estate
1/17/2025

Robin Mack

From: Robin Mack
Sent: Friday, July 3, 2026 2:59 PM
To: Cheruk, Samantha {PEP}
Cc: Richards, Jovan {PEP}; Petillo, Megan {PEP}; Elizabeth Cappillino; Jane Denbaum; Mueller, Charles - Contractor {PEP}; Peter Kollmar; Handy, Kenya {PEP}
Subject: RE: Extension Request: PepsiCo East Fishkill Discussion / Update

HI Samatha,

Thank you. Enjoy your weekend!

Best,

Robin D. Mack
CEO / Executive Director
3 Neptune Road, Suite A21
Poughkeepsie, New York 12601
Email: Robin@ThinkDutchess.com
Office: 845 463 5400 | Direct: 845 463 5406
Cell: 845 762 6220 | Fax: 845 463 0100

From: Cheruk, Samantha {PEP} <Samantha.Cheruk@pepsico.com>
Sent: Thursday, July 2, 2026 4:54 PM
To: Robin Mack <robin@thinkdutchess.com>
Cc: Richards, Jovan {PEP} <Jovan.Richards@pepsico.com>; Petillo, Megan {PEP} <Megan.Petillo@pepsico.com>; Elizabeth Cappillino <ec@cappillino.com>; Jane Denbaum <Jane@thinkdutchess.com>; Mueller, Charles - Contractor {PEP} <Charles.Mueller.Contractor@pepsico.com>; Peter Kollmar <peter@thinkdutchess.com>; Handy, Kenya {PEP} <Kenya.Handy@pepsico.com>
Subject: RE: Extension Request: PepsiCo East Fishkill Discussion / Update

> Some people who received this message don't often get email from samantha.cheruk@pepsico.com. Learn why this is important

Hi Robin,

Please see updated table with salary ranges below.

Role Type	Headcount	Estimated Salary Range
Technical Roles	6	$50,000-55,500
Non Technical Roles	8	$45,000-50,000
Mechanic Team	6	$80,000-89,000

Total Hourly Employees	**20**	
Leadership	9	$90,000-100,000
Total	**29**	

Thanks,
Samantha

From: Handy, Kenya {PEP} <Kenya.Handy@pepsico.com>
Sent: Friday, June 26, 2026 9:12 AM
To: Robin Mack <robin@thinkdutchess.com>
Cc: Richards, Jovan {PEP} <Jovan.Richards@pepsico.com>; Petillo, Megan {PEP} <Megan.Petillo@pepsico.com>; Elizabeth Cappillino <ec@cappillino.com>; Jane Denbaum <Jane@thinkdutchess.com>; Mueller, Charles - Contractor {PEP} <Charles.Mueller.Contractor@pepsico.com>; Peter Kollmar <peter@thinkdutchess.com>
Subject: RE: Extension Request: PepsiCo East Fishkill Discussion / Update

Thank you for join us! We will provide that information shortly.

Best regards,

Kenya Handy

pepsico
Food. Drinks. Smiles.

From: Robin Mack <robin@thinkdutchess.com>
Sent: Friday, June 26, 2026 1:25 AM
To: Handy, Kenya {PEP} <Kenya.Handy@pepsico.com>
Cc: Richards, Jovan {PEP} <Jovan.Richards@pepsico.com>; Petillo, Megan {PEP} <Megan.Petillo@pepsico.com>; Elizabeth Cappillino <ec@cappillino.com>; Jane Denbaum <Jane@thinkdutchess.com>; Mueller, Charles - Contractor {PEP} <Charles.Mueller.Contractor@pepsico.com>; Peter Kollmar <peter@thinkdutchess.com>
Subject: Re: Extension Request: PepsiCo East Fishkill Discussion / Update

WARNING: Email originated outside of PepsiCo.

Hi Kenya,

Thank you for the tour yesterday. The facility is impressive.

As a follow up, please provide the salary ranges for these FTEs. The plan is to update the Board at the July 8 meeting, so please share that information as soon as you can.

Role Type	Headcount
Technical Roles	6
Non Technical Roles	8

Mechanic Team	6
Total Hourly Employees	**20**
Leadership	9
Total	**29**

Best,

Robin D. Mack
CEO / Executive Director
3 Neptune Road, Suite A21
Poughkeepsie, New York 12601
Email: Robin@ThinkDutchess.com
Office: 845 463 5400 | Direct: 845 463 5406
Cell: 845 762 6220 | Fax: 845 463 0100

From: Cheruk, Samantha {PEP} <Samantha.Cheruk@pepsico.com>
Sent: Monday, June 15, 2026 4:28 PM
To: Robin Mack <robin@thinkdutchess.com>; Handy, Kenya {PEP} <Kenya.Handy@pepsico.com>; Petillo, Megan {PEP} <Megan.Petillo@pepsico.com>; Elizabeth Cappillino <ec@cappillino.com>; Richards, Jovan {PEP} <Jovan.Richards@pepsico.com>
Cc: Peter Kollmar <peter@thinkdutchess.com>; Jane Denbaum <Jane@thinkdutchess.com>; Mueller, Charles - Contractor {PEP} <Charles.Mueller.Contractor@pepsico.com>
Subject: RE: Extension Request: PepsiCo East Fishkill Discussion / Update

Hi Robin,

Sharing on Megan's behalf as she's out this week. Our statement is below regarding the extension as well as HC breakout. As a note, wages are still under RFP so I don't have conclusive numbers to share yet.

The agreement was executed in 2021 and since that time, market conditions have shifted. Notwithstanding these changes, we remain fully committed to the project and have continued to make meaningful progress. We have met our capital investment requirement, the facility has received its certificate of occupancy, and a walkthrough is scheduled for June 25. We are also actively hiring to support operations. As we align staffing with current and anticipated demand, hiring will reflect a right-sized operational model, with approximately 20 full-time roles supporting the facility at this time. We are requesting flexibility to align job creation with current business conditions, while continuing to deliver on the remaining commitments outlined in the agreement and maintaining our long-term presence and investment in the community.

Role Type	Headcount
Technical Roles	6
Non Technical Roles	8
Mechanic Team	6

Total Hourly Employees	20
Leadership	9
Total	**29**

Please let me know if you have any questions.

Thanks,
Samantha

Samantha Cheruk
Global Real Estate, Sr. Sustainability Analyst

PepsiCo
700 Anderson Hill Rd
Purchase, NY 10577
pepsico.com

From: Robin Mack <robin@thinkdutchess.com>
Sent: Friday, June 5, 2026 1:46 PM
To: Handy, Kenya {PEP} <Kenya.Handy@pepsico.com>; Petillo, Megan {PEP} <Megan.Petillo@pepsico.com>; Elizabeth Cappillino <ec@cappillino.com>; Cheruk, Samantha {PEP} <Samantha.Cheruk@pepsico.com>; Richards, Jovan {PEP} <Jovan.Richards@pepsico.com>
Cc: Peter Kollmar <peter@thinkdutchess.com>; Jane Denbaum <Jane@thinkdutchess.com>
Subject: RE: Extension Request: PepsiCo East Fishkill Discussion / Update

WARNING: Email originated outside of PepsiCo.

Thanks, Kenya!

Confirming our virtual meeting on Tuesday, June 9 at 2:30p. Hi @Richards, Jovan {PEP} – congratulations to you!

Best,

Robin D. Mack
CEO / Executive Director
3 Neptune Road, Suite A21
Poughkeepsie, New York 12601
Email: Robin@ThinkDutchess.com
Office: 845 463 5400 | Direct: 845 463 5406

DocuSign Envelope ID: C170CBAE-C8FE-4C7A-A980-F018D1BF614D

Ladies and Gentlemen:

Enclosed please find the application of the Dutchess County Industrial Development DCIDA (the "DCIDA"). Please be advised that there is a $250.00 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 $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

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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, 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.

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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

DocuSign Envelope ID: C170CBAE-C8FE-4C7A-A980-F018D1BF614D

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
Marilyn Yerks

Compliance Officer/
Records Access Officer
Marilyn Yerks

BOARD OF DIRECTORS

Amy Bombardieri
Kathleen M. Bauer
Timothy E. Dean
Mark Doyle
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

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MISSION STATEMENT

The Dutchess County Industrial Development DCIDA [DCIDA] was created to further economic development in Dutchess County through the issuance of bonds to facilitate the building of capital projects with the resultant construction jobs and permanent follow on employment.

DocuSign Envelope ID: C170CBAE-C8FE-4C7A-A980-F018D1BF614D

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 $250.00 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

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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

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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

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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 Policy 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

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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 ROLLING FRITO-LAY SALES, LP	FEIN 75-2908364
Address 7701 Legacy Drive	Name and Title of Contact Person Kathy Alfano
City County Zip Plano, Collin 75024	Telephone Number (972) 334-2969
Website WWW.FRITOLAY.COM	Email KATHY.ALFANO@PEPSICO.COM
Full Address of the site/location of the proposed project, including County and Zip Code 10-350 North Drive, East Fishkill, 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	

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	DocuSigned by: Kathleen H Alfano 4EBE32435935415...
Print Name	Kathleen H. Alfano
Title	Sr. Director, Economic Development
Date	8/23/2021

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: Same as individual completing application
Title:
Address
Phone: Fax:
Email:

B. Company Counsel:

Name of Attorney: John Poakeart
Firm Name: PepsiCo, Inc.
Address 7701 Legacy Drive, Plano, TX 75024
Phone: (972) 334-3995 Fax:
Email: John. Poakeart@PepsiCo.com

C. Form of Business Organization:

___ For-profit corporation ___ Not-for-profit corporation

___ General partnership X Limited partnership

___ Limited liability company ___ Sole proprietorship

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

Limited Liability 12/20/2000; Delaware

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

02/09/2001 authorized to do business in New York.

D. Please list Principal Owners/Officers/Directors

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

PepsiCo, Inc. – 87.1%

Frito-Lay Sales, Inc. – 12.9%

No individual owners

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

PepsiCo, Inc. 700 Anderson Hill Road, Purchase, NY

Frito-Lay Sales Inc.: 7701 Legacy Drive, Plano, TX

Frito-Lay, Inc.: 7701 Legacy Drive, Plano, TX

FL Transportation, Inc.: 7701 Legacy Drive, Plano, TX

E. Holding Company

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

What is the name of the Real Estate Holding Company: N/A

Federal Employer ID Number: N/A

State and Year or Incorporation/Organization: N/A

List of stockholders, members, or partners of Applicant: N/A

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

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

Warehouse and distribution of branded snack foods to locations throughout the New York metro area and northeast United States.

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

In 1961, two chip and snack food companies, The Frito Company and H.W. Lay & Company, merged to form Frito-Lay, Inc. Four years later in 1965, Frito-Lay, Inc. merged with the Pepsi-Cola Company to form PepsiCo. Today, the wholly owned subsidiary of PepsiCo has approximately 65,000 associates. Frito-Lay makes, markets, distributes, and sells branded snack foods. These foods include Cheetos cheese-flavored snacks, Doritos tortilla chips, Fritos corn chips, Lay's potato chips, Ruffles potato chips and Tostitos tortilla chips as well as branded dips. Rolling Frito-Lay Sales, LP is the sales and distribution entity for Frito-Lay in the United States.

Estimated % of sales within County	Unable to disclose due to SEC regulations
Estimated % of sales outside County but within New York State	“”
Estimated % of sales outside NYS but within U.S.	“”
Estimated % of sales outside the US	“”
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

To the best of our knowledge Rolling Frito-Lay Sales, LP has not received assistance.

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: Empire State Development (“ESD”). No assistance is being sought from ESD at this time.

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

To the best of our knowledge, there is no pending or recent litigation that would have a material impact. Please see page 3 of PepsiCo 2020 Annual Report Item 3. Legal Proceedings.

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

Yes, to the best of our knowledge.

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

PepsiCo Securities and Exchange filings (SEC) and Annual Reports can be found at: https://investors.pepsico.com/investors/financial-information/quarterly-earnings/

N. Please attach sales and income projections or a project pro forma for next 3 to 5 years. – Unable to provide due to SEC regulations regarding forward looking statements.

Section 2: Project Description & Details

A. Industry

Please check off the Project's Industry Sector:

___ Natural Resources / Mining
___ Construction
___ Utilities
___ Manufacturing
X Wholesale / Retail
X Transportation /Warehousing
___ Information Technology
___ Financial Services
___ Professional / Business Services
___ Education or Healthcare Services
___ Leisure and Hospitality
___ Government
___ Other (Please write): _____

North American Industrial Classifications Number (NAICS) 424450 & 484110

B. Project Location

Project Address
10-350 North Drive, East Fishkill, NY 12533

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

Tax Map Nos. p/o:
6356-04-861300
6356-04-950353
6456-03-054349

Property Tax Jurisdiction:

Municipal: East Fishkill
School District: Wappingers Central School District

Are the Real Property Taxes current? X Yes ___ No
If no, please explain _____

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

X Water X Electric
* Gas X* Sanitary/Storm Water
*Currently no Gas nor Sanitary at project site. Project will add infrastructure for both.

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

If no, Present legal owner of site: I. Park East Fishkill I LLC

Does the Applicant or related entity have an option /contract to purchase the Project site? X Yes ___ No

Describe the present use of the proposed Project Site
Paved parking lot, green space, and paved road within iPark 84 development.

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

___ Acquired X 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*).

The project entails the construction of three new structures totaling approximately 158,000 square feet. Primary structure is a high-technology fulfillment center (approx. 150,000 SF). A fleet center and guard house will also be constructed at the site. The facility will operate 24 hours/6 days per week, receiving snack food product from affiliate-owned manufacturing facilities located in Kirkwood, NY, Killingly, CT, Perry, GA and Aberdeen, MD. No product will be manufactured at the site. Snack products received will be distributed from the project site to the New York metro market and the northeast United States.

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).*

The project is competitive with other counties within New York as well as neighboring states of Connecticut and New Jersey. If the project is unable to obtain DCIDA financial assistance, the project economics may drive the location decision outside of Dutchess County or outside New York State.

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.

X 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?

The company has determined there is a demonstratable need for its snack food in the New York metro market. The project could serve Dutchess County, however this location was selected based on the most suitable location to serve New York metro and Northeast markets.

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?

The project is compatible with local development plans for the iPark 84 industrial park as established by Town of East Fishkill Zoning Code Section 194.46.7. Application for Economic Redevelopment special permit (ESRP) will be filed.

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.

The project will incorporate LED lighting, variable frequency motors and certain sustainable construction materials

Is the project of a speculative nature?

The project is not speculative.

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

Will the Project include leasing any equipment? ___ Yes _X_ No

C. Zoning of Project Site:

Current	I-1 Light Industrial
Proposed	I-1 Light Industrial

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Are any variances needed? If so, please list:
Yes. Partial waiver requested from the Town Board (Town Code 194-46.7.C(2)(f)). Approximately 25% of the fulfillment center building requires 85'8" height for specialized equipment operation whereas 80' is the maximum permitted height as-of-right.

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:
Approximately 28.42 acres

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:
Approximately 158,000 Sq. Ft. total for fulfillment center, fleet center and guard house.

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? X Yes __ No
If yes, please list: Project site is located at the northern section of the larger area, which is the former IBM East Fishkill facility property. The former IBM site to the South is currently undergoing environmental remediation overseen by NYSDEC.

Has another entity been designated lead agent under the State Environmental Quality Review Act?__Yes X__No
If yes, please explain It is anticipated that the East Fishkill Town Board will authorize circulation of Notice of Intent on 8/26/2021 and become Lead Agency thereafter. DCIDA has been listed as an Involved Agency.

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)	$ 17,900,000
2. New Construction	$ 25,000,000
3. Reconstruction/Renovation/Expansion	
4. Infrastructure Work	$ $6,000,000
5. Fixed Equipment (Taxable) (Spending that will be subject to sales tax – i.e. machinery and equipment)	$ $49,600,000
6. Other Tax Exempt (non-construction spending that will not be subject to sales tax)	$
7. Professional Services (Architect, Legal Fees[1], Engineering fees)	$ $1,500,000
8. Other Taxable (please specify)	$
9. Other (please specify)	$
Estimated Total Project Cost	$ 100,000,000

Uses (Financing, Legal, Miscellaneous)

	Estimated Fees
IDA Administrative Fees (See page 1)	$ 350,000
IDA Counsel	$ TBD
Applicant Counsel	$ Not available
Transaction Counsel	$
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 – PepsiCo, Inc. Cash	$	100,000,000
Amount of other conventional financing	$	0
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	$	100,000,000

*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?
Q4 2021

Please indicate the actual or expected dates of

Construction completion: Q4 2024 expected

Occupancy: Q4 2024 expected (building estimated complete Q4 2023, however equipment not installed therefore not occupied/operating until Q4 2024).

Will the company be occupying 100% of the completed facility? _X__ 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

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.

Dematic – High tech automated storage and retrieval machinery & equipment

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)

X Complete Application

X Meets NYS/DCIDA Requirements

___ SEQRA / Planning Approval
Approval Date: Pending

X Meets Project Use Definition

X "But For" Requirement

X Will Directly Retain or Create Jobs

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.

Revitalization

Target Geography

___ Distressed Census Tract/Area
___ High Vacancy Census Tract
___ Transit Oriented Development
___ BID
___ Neighborhood Plan

Identified Priority

___ Tax Exempt
X Vacant (land)
X Adaptive Re-use
___ Community Catalyst

Identified Growth Area

X Manufacturing / Distribution
___ Technology
___ Existing Cluster

Investment

Financial Commitment

___ 3 – 10 million
___ 10.1 – 17.5 million
___ 17.6 – 25 million
X >25 million

Community Commitment

___ MWBE/DBE Participation
___ Veteran Participation
___ Workforce /Affordable Housing
X Local Workforce
___ Apprenticeship Program
___ Public Infrastructure

Environmental Factors

___ Resource Conservation
X Energy Efficiency
___ Green Technology
___ Alternative / Renewable Energy

Employment

Permanent Jobs

___ 3-40
X 21-80
___ 81-120
___ 121-180
___ > 180

Retained Jobs

___ 3-40
___ 21-80
___ 81-120
___ 121-180
___ > 180

Construction Jobs

___ 6-80
X 81-160
___ 161-240
___ >240

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C. Project Benefits

Financial Assistance Provided

1. Estimated Sales Tax Exemption^

$ 72,800,000	X	.08125	=	$5,900,000
Amount of Project Cost Subject to Tax		Sales Tax Rate		Total

2. Estimated Mortgage Recording Tax Exemption

$0	X	.0075	=	$0
Projected Amount of Mortgage		Mortgage Recording Tax		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:	$973,775 - estimated
Current Property Taxes	$30,000 - estimated
Estimated Property Value after project completion	To be determined.

Will the Project utilize the DCIDA's Uniform Tax Exemption Formula? To Be Determined by Town of East Fishkill. ___ Yes ___ No

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

Estimated tax abatement resulting from this project $ To Be Determined
(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.

D. Employment

A. Benefits = Economic Development Impacts (For Project Location Only)

By statute, the DCIDA must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. The DCIDA will use job projections upon the two (2) year time period following Project completion.

a. Employment should be quantified by "FTE", which shall mean: (a) a full-time, permanent, private-sector employee on the project's payroll, who has worked (or is projected to work) at the project facility for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties;

b. or (b) two part-time, permanent, private-sector employees on the Applicant's payroll, who have worked (or are projected to work) at the project facility for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties

Employment by category at Project Location only

Job Category	Current Number of FTE's	Number of FTE's Retained	Average Salary or Range of Salary	Number of FTE's to be created upon 2 years	Average Salary or Range of Salary
Owner/Executive	0	N/A	N/A		
Professional	0	N/A	N/A		
Management	0	N/A	N/A		
Administrative	0	N/A	N/A		
Production	0	N/A	N/A		
Other	0	N/A	N/A		
Total*	0	N/A	N/A	80	$50,000

Are employees currently covered by a collective bargaining agreement?
If yes, Name and Local?
No

Are employees provided retirement benefits? X* Yes __ No
*Employees working 20 hrs. or more have 401k benefits
Are employees provided health benefits? X Yes __ No

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

Best estimate at time of application. Headcount targets by year end are reflected for years 1 and 2.

Year 1	1	2	3	4	5	6	7	8	9	10	11	12
2024												40
Year 2	1	2	3	4	5	6	7	8	9	10	11	12
2025												40

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.

To be determined.

How will the project developer seek out and use the local work force.

The company will advertise in local publications, post job openings on the website www.fritolayemployment.com, and will utilize signage on company trucks. The company will welcome tools & organizations available through Dutchess County and the Town of East Fishkill as well. In accordance with agreement, the company understands it must list jobs with 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.

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

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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? 80-90 construction jobs are estimated to be created with this project. The number of jobs in the Labor Workforce area is to be determined.

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 The project will increase the overall number of permanent private sector jobs employed by the company in New York State. It is not expected to preserve or increase other non-affiliated private sector jobs.

Is the project located in a Highly Distressed Area?

☐ Yes ☒ No

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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 X 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 X No

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

___ Yes X 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

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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).
N/A

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 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)
N/A				

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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:

To the best of our knowledge, there is no direct DCIDA indirect interest in this transaction.

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.

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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	DocuSigned by: Kathleen H Alfano
Print Name	Kathleen H. Alfano
Title	Senior Director, Economic Development
Date	8/23/2021

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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	DocuSigned by: Kathleen H Alfano 4EBE32435935415...
Print Name	Kathleen H. Alfano
Title	Sr. Director, Economic Development
Date	8/23/2021

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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):

Principal Amount of Bonds	Percentage Fees
$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 20.000000	.672
More than $20,000,000	.084

2. Total Funds Required N/A Estimated Term N/A

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

Date Required N/A

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3) Certification

To Be Completed for Bond Financing only

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

the N/A of N/A
(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

N/A 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.

N/A
(Chief Officer of Company submitting)

N/A N/A
Print Name Title

N/A
Date

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

N/A
Notary Public (Please Affix Stamp)

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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 if 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.

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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.

Rolling Frito-Lay Sales, Inc.

Name of Company

DocuSigned by:
Kathleen H Alfano
4EBE32435935415...

Name: Kathleen H. Alfano

Sr. Director, Economic Development

Title

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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.

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Attachment 2 – Agency Standard Fee Schedule and other fees

DCIDA Standard Fees

Application Fee: $250 (non-refundable)

Administrative 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

Annual Compliance Fee: $500

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, compliance, 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.

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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

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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.

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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.

Appendix A
Rolling Frito-Lay PILOT Formula

Year 1	90%
Year 2	90%
Year 3	85%
Year 4	85%
Year 5	85%
Year 6	80%
Year 7	80%
Year 8	70%
Year 9	65%
Year 10	60%
Year 11	55%
Year 12	50%
Year 13	45%
Year 14	40%
Year 15	35%
Year 16	30%

Town of East Fishkill

Dutchess County, New York
330 Route 376, Hopewell Junction, New York 12533
Telephone 845-221-4303

Nicholas D'Alessandro, Supervisor
Town of East Fishkill

Town Board:
Peter Cassidy
Thomas Franco
Emanuele Marinaro
Anil Beephan

November 9, 2021

Sarah Lee, Executive Director
Dutchess County Industrial Development Agency
3 Neptune Road
Poughkeepsie, NY 12601

Re: Project Niagara

Ms. Lee:

The Town of East Fishkill has been working with the applicant, Project Niagara, on their application for a 155,958 square foot fulfillment center, fleet center and guardhouse. The proposed is located on a 28.42 acre site that sits in the Town of East Fishkill.

On November 4, 2021, the East Fishkill Town Board adopted a negative declaration of a SEQR determination for the Project Niagara. Also on November 4, 2021 the East Fishkill Town Board issued Project Niagara an Economic Development permit for same project.
The East Fishkill Town Board has been reviewing the current proposal for a PILOT program for Project Niagara and we are in support of the proposal.

Very truly yours,

Nicholas D'Alessandro, Supervisor
Town of East Fishkill

WAPPINGERS CENTRAL SCHOOL DISTRICT | Empower Challenge Grow

Kristen Crandall • Assistant Superintendent of Finance & Business Development
25 Corporate Park Drive • P.O. Box 396 • Hopewell Junction, NY 12533 • (845) 298-5000 x40149 • Fax (845) 896-1973

November 9, 2021

Sarah Lee, Executive Director
Dutchess County Industrial Development Agency
3 Neptune Road
Poughkeepsie, NY 12603

Re: Application for Financial Assistance Rolling Frito La-Lay (Project Niagara) Warehouse Distribution Center Project

Dear Ms. Lee:

On behalf of the Wappingers Central School District ("District"), please consider this letter confirming the District's support of the Rolling Frito-Lay application for financial assistance to the Dutchess County Industrial Development Agency, in connection with its proposed warehouse distribution center redevelopment project at the IBM Campus site on Route 52, in the Town of East Fishkill.

The District welcomes this redevelopment project, as it will bring jobs to our community and much needed financial support to assist the District in its mission to provide our students with a high quality public education.

Very truly yours,

KCrandall

Kristen Crandall
Assistant Superintendent for Finance

cc: Dr Dwight Bonk, Ed.D. – Superintendent of Schools

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 1is accurate and complete.

A. Project and Applicant/Sponsor Information.

Name of Action or Project: Project Niagara		
Project Location (describe, and attach a general location map): The project is located at 10-350 North Drive, East Fishkill, NY; Coordinates at approximate center of site: 41.544703, -73.824663		
Brief Description of Proposed Action (include purpose or need): Rolling Frito-Lay Sales, LP proposes to develop a new automated high-technical fulfillment center to be located on approximately 29 acres of land at the northern portion of the site known as the former IBM East Campus. The site encompasses portions of Lots 2 and 3, as shown on the "Final Subdivision Plat, GlobalFoundries U.S. 2 LLC," filed in the Dutchess County Clerk's Office on August 3, 2017 as FM# 12578, and previously served as part of the former IBM East Campus parking lot. The proposed development would consist of three structures to include a fulfillment center, fleet center, and guard house containing approximately 157,907 square feet. The facility will also have approximately 20 loading docks, 108 automobile parking spaces, 13 tractor parking spaces and 100 trailer parking spaces. Improvements include stormwater management, landscaping, and other utility infrastructure.		
Name of Applicant/Sponsor: Rolling Frito Lay Sales, LP	Telephone: (972) 334-3991 E-Mail: divesh.patel@pepsico.com	
Address: 7701 Legacy Drive		
City/PO: Plano	State: TX	Zip Code: 75024
Project Contact (if not same as sponsor; give name and title/role): Divesh Patel	Telephone: (972) 334-3991 E-Mail: divesh.patel@pepsico.com	
Address:		
City/PO:	State:	Zip Code:
Property Owner (if not same as sponsor): I Park East Fishkill I LLC	Telephone: E-Mail: jcotter@naturalresources.com	
Address: 485 W Putnam Ave		
City/PO: Greenwich	State: CT	Zip Code: 06830

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 Counsel, Town Board, or Village Board of Trustees ☑Yes☐No	East Fishkill Town Board - Economic Redevelopment Special Permit	August 2021 (actual)
b. City, Town or Village Planning Board or Commission ☑Yes☐No	East Fishkill Planning Board - Site Plan and Subdivision (lot merger and lot line adjustment)	August 2021 (actual)
c. City, Town or Village Zoning Board of Appeals ☐Yes☑No		
d. Other local agencies ☑Yes☐No	Town of Poughkeepsie (water authority)	
e. County agencies ☑Yes☐No	Dutchess County IDA; Dutchess County Planning Board	August 2021 (projected)
f. Regional agencies ☐Yes☑No		
g. State agencies ☑Yes☐No	NYSDOT	
h. Federal agencies ☐Yes☑No		

i. Coastal Resources.

i. Is the project site within a Coastal Area, or the waterfront area of a Designated Inland Waterway? ☐Yes☑No

ii. Is the project site located in a community with an approved Local Waterfront Revitalization Program? ☐Yes☑No

iii. Is the project site within a Coastal Erosion Hazard Area? ☐Yes☑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? ☐Yes☑No

- **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? ☑Yes☐No

If Yes, does the comprehensive plan include specific recommendations for the site where the proposed action would be located? ☑Yes☐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?) ☑Yes☐No

If Yes, identify the plan(s):

Remediaton Sites:314054

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? ☐Yes☑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)

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

c. Which fire protection and emergency medical services serve the project site?
Onsite iPark Fire Services

d. What parks serve the project site?
East Fishkill Soccer Complex Park, Lime Kiln Recreation Center, Doug Phillips Park, Wiccopee Recreation Area

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)? Industrial

b. a. Total acreage of the site of the proposed action? 28.42 acres
b. Total acreage to be physically disturbed? 19.6 acres
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? 28.42 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)
Industrial
ii. Is a cluster/conservation layout proposed? ☐ Yes ☐ No
iii. Number of lots proposed? 1
iv. Minimum and maximum proposed lot sizes? Minimum 28.42 Maximum 28.42

e. Will the proposed action be constructed in multiple phases? ☐ Yes ☐ No
i. If No, anticipated period of construction: 24 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.

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

g. Does the proposed action include new non-residential construction (including expansions)? ☑Yes ☐No
If Yes,
i. Total number of structures 3
ii. Dimensions (in feet) of largest proposed structure: 85' 8"* height; 337 width; and 482 length
iii. Approximate extent of building space to be heated or cooled: 150,000 square feet

*25% of the building will be 85 feet 8 inches in height, the balance of the building will be 49 feet 8 inches in height

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: _____
ii. If a water impoundment, the principal source of the water: ☐ Ground water ☐ Surface water streams ☐Other specify: _____
iii. If other than water, identify the type of impounded/contained liquids and their source. _____
iv. Approximate size of the proposed impoundment. Volume: _____ million gallons; surface area: _____ acres
v. Dimensions of the proposed dam or impounding structure: _____ height; _____ length
vi. Construction method/materials for the proposed dam or impounding structure (e.g., earth fill, rock, wood, concrete): _____

D.2. Project Operations

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

If Yes:

i. Total anticipated water usage/demand per day: 883 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: Town of Poughkeepsie via Dutchess County Transmission Line, Global Foundries.
- 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: _____

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: 883 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 (warehouse, asf, guard booth, Traffic Center, traffic center maintenance bays): 883 gpd (estimated)

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

If Yes:

- Name of wastewater treatment plant to be used: _____
- Name of district: _____
- 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):

GlobalFoundries Wastewater Treatment Plant will be used

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?

0 Square feet or 0 acres (impervious surface)

_____ Square feet or 28.42 acres (parcel size)

ii. Describe types of new point sources. No new point sources are being created. the project reduces existing impervious area, runoff and uses existing outfalls.

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 runoff will be directed to existing drainage facilities on-site. The existing drainage system discharges to drainage ditches off-site. the eastern outfalls drain to an existing wetland.

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

  The existing drainage system discharges to an existing wetland located on the east side of the property
- 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)

Temporary Generators for Power Generation

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

_____

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 (CO_2)
- _____Tons/year (short tons) of Nitrous Oxide (N_2O)
- _____Tons/year (short tons) of Perfluorocarbons (PFCs)
- _____Tons/year (short tons) of Sulfur Hexafluoride (SF_6)
- _____Tons/year (short tons) of Carbon Dioxide equivalent of Hydroflourocarbons (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): _____

iii. Parking spaces: Existing _____ Proposed _____ Net increase/decrease _____

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 ½ 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: 2.5 M Kwh

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

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: 7 a.m. - 5 p.m.
- Saturday: 8 a.m. - 5 p.m.
- Sunday: _____
- Holidays: _____

ii. During Operations:

- Monday - Friday: 8am-5pm;8pm-4am;4am-12pm
- Saturday: 8am-5pm;8pm-4am;4am-12pm
- Sunday: 8am-5pm;8pm-4am;4am-12pm
- Holidays: 8am-5pm;8pm-4am;4am-12pm

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:

Refer to Appendix D of Executive Summary for Noise Study details

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

Describe: _____

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:

Wall-packs, flood lights, and pole-mounted light fixtures.

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 Diesel Fuel, Spilled Fuel

ii. Volume(s) 12,000 gal per unit time year (e.g., month, year)

iii. Generally, describe the proposed storage facilities:

Above ground, 12,000 gallon double walled fuel storage tank, below ground 9,000 gallon single wall emergency spill containment tank

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: 10-15 tons per month (unit of time)
- Operation : N/A tons per _____ (unit of time)

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

- Construction: Reuse of asphalt paving to the extent possible, separate dumpsters to enable material recycling.
- Operation: N/A

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

- Construction: Contracted services to landfill and other solid waste disposal contractors.
- Operation: N/A

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: _____

Waste oils and fluids customary to auto service stations.

ii. Generally describe processes or activities involving hazardous wastes or constituents: _____

Tractor and trailer maintenance

iii. Specify amount to be handled or generated TBD 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: _____

Disposal to occur through contracted service during normal operation.

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

N/A

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): _____

ii. If mix of uses, generally describe:

Generally industrial / commercial to the east, south, and west. Forested to the northwest, and some residential adjacent across Route 52 to the north and northeast.

b. Land uses and covertypes on the project site.

Land use or Covertype	Current Acreage	Acreage After Project Completion	Change (Acres +/-)
• Roads, buildings, and other paved or impervious surfaces	17.24	16.78	-0.46
• Forested	0	0	0
• Meadows, grasslands or brushlands (non-agricultural, including abandoned agricultural)	11.19	11.64	0.45
• Agricultural (includes active orchards, field, greenhouse etc.)			
• Surface water features (lakes, ponds, streams, rivers, etc.)			
• Wetlands (freshwater or tidal)	0.383	0.383	0
• Non-vegetated (bare rock, earth or fill)			
• Other Describe: _____			

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:

PCE, ammonium fluoride, cis-1,2-dichloroethene, TCE, vinyl chloride, 1,1,2-trichloro-1,2,2-triflouoethane, nickel, chromium (1963-Present)

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): 314054

☐ 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):

Listed as Classification 2, meaning a site at which: the disposal of hazardous waste has been confirmed and the presence of such hazardous waste or its components or breakdown products represents a significant threat to public health or the environment: or hazardous waste disposal has not been confirmed, but the site has been listed on the Federal National Priorities List (NPL).

v. Is the project site subject to an institutional control limiting property uses? ☑ Yes ☐ No

- If yes, DEC site ID number: 314054
- Describe the type of institutional control (e.g., deed restriction or easement): NYSDEC Environemtnal Easement (draft)
- Describe any use limitations: Restricted to industrial uses with no groundwater use with out prior approval by NYSDEC/IBM
- Describe any engineering controls: Groundwater pump and treat system, soil cover
- Will the project affect the institutional or engineering controls in place? ☐ Yes ☑ No
- Explain: _____

E.2. Natural Resources On or Near Project Site

a. What is the average depth to bedrock on the project site? 50-60 feet

b. Are there bedrock outcroppings on the project site? ☐ Yes ☑ No
If Yes, what proportion of the site is comprised of bedrock outcroppings? _____%

c. Predominant soil type(s) present on project site:

Urban land	74 %
Udorthents, smoothed	26 %
Knickerbocker fine sandy loam	0 %

d. What is the average depth to the water table on the project site? Average: 10-30 feet

e. Drainage status of project site soils:
☑ Well Drained: 100 % of site
☐ Moderately Well Drained: _____% of site
☐ Poorly Drained _____% of site

f. Approximate proportion of proposed action site with slopes:
☑ 0-10%: 100 % of site
☐ 10-15%: _____% of site
☐ 15% or greater: _____% of site

g. Are there any unique geologic features on the project site? ☐ Yes ☑ 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)? ☑ Yes ☐ No

ii. Do any wetlands or other waterbodies adjoin the project site? ☑ Yes ☐ No

If Yes to either *i* or *ii*, 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? ☑ Yes ☐ No

iv. For each identified regulated wetland and waterbody on the project site, provide the following information:

- Streams: Name _____ Classification _____
- Lakes or Ponds: Name _____ Classification _____
- Wetlands: Name Federal Waters Approximate Size 0.38 acres
- 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? ☐ Yes ☑ No

If yes, name of impaired water body/bodies and basis for listing as impaired: _____

i. Is the project site in a designated Floodway? ☐ Yes ☑ No

j. Is the project site in the 100-year Floodplain? ☐ Yes ☑ No

k. Is the project site in the 500-year Floodplain? ☐ Yes ☑ No

l. Is the project site located over, or immediately adjoining, a primary, principal or sole source aquifer? ☑ Yes ☐ No
If Yes:
i. Name of aquifer: Principal Aquifer, Primary Aquifer

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

Common bird species observed: American robin Chipping sparrow
Eastern bluebird House sparrow Northern cardinal
Red-wing blackbird

n. Does the project site contain a designated significant natural community? ☑ Yes ☐ No

If Yes:

i. Describe the habitat/community (composition, function, and basis for designation):

Floodplain Forest (Habitat not found on site)

ii. Source(s) of description or evaluation: NY EAF Mapper

iii. Extent of community/habitat:

- Currently: 673.5 acres
- Following completion of project as proposed: 673.5 acres
- Gain or loss (indicate + or -): 0 acres

o. Does project site contain any species of plant or animal that is listed by the federal government or NYS as endangered or threatened, or does it contain any areas identified as habitat for an endangered or threatened species? ☑ Yes ☐ No

If Yes:

i. Species and listing (endangered or threatened): Bog Turtle: Federal-listed endangered; State-listed threatened*

Bog Turtle, Indiana Bat Indiana Bat: Federal- and State-listed endangered

*SPECIES NOT FOUND ON SITE

p. Does the project site contain any species of plant or animal that is listed by NYS as rare, or as a species of special concern? ☐ Yes ☑ No

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 Agriculture and Markets Law, Article 25-AA, Section 303 and 304? ☐ Yes ☑ No

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): 2021 New York State Agricultural Land Classification

c. Does the project site contain all or part of, or is it substantially contiguous to, a registered National Natural Landmark? ☐ Yes ☑ No

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

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 fives 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 Pkwy

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

iii. Distance between project and resource: 2.4 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 Divesh Patel Date 8/19/2021

Signature Divesh Patel Title Warehouse Engineering Sr. Manager

PRINT FORM

Full Environmental Assessment Form
Part 3 – Evaluation of the Magnitude and Importance of Project Impacts and Determination of Significance

PROJECT NIAGARA/FRITO-LAY FULFILLMENT CENTER: 10-350 North Drive

Parcel Nos. p/o 6356-04-861300, 6356-04-950353 and p/o 6456-03-054349

This Part 3 analysis has been prepared to address all relevant areas of environmental concern as identified in the review by the East Fishkill Town Board, as Lead Agency. This narrative will discuss and explain the analysis of the potential impacts, and why the Proposed Action will not result in a significant adverse environmental impact. Such analysis is appropriately set forth in the Part 3, even if the potential impact was identified as "none" or "small" in Part 2 of the Full Environmental Assessment Form (EAF). Based upon a review of Parts 1 and 2 of the EAF and all other application materials that were submitted in support of the Proposed Action (Type I), along with reports from Town staff and consultants, information from involved and interested agencies, and information from the public, the East Fishkill Town Board, undergoing a coordinated review, provides the following rationale for its SEQRA Determination.

Project Description:

The Proposed Action is the construction of a new automated high-technical fulfillment center to be located on approximately 28.4 acres of land at the northern portion of the site known as the former IBM East Campus (the "Property"). The Property is located in the I-1 Light Industrial Zoning District and encompasses portions of Lots 2 and 3, as shown on the "Final Subdivision Plat, GlobalFoundries U.S. 2 LLC," filed in the Dutchess County Clerk's Office on August 3, 2017 as FM# 12578, and previously served as part of the former IBM East Campus parking lot. The proposed development would consist of three structures to include a fulfillment center, fleet center, and guard house containing a total of approximately 155,958 square feet. The facility will also have approximately 20 loading docks, 109 automobile parking spaces, 13 tractor parking spaces and 100 trailer parking spaces. Improvements include a reconfiguration of access drives and parking lots, stormwater management, landscaping, and other utility infrastructure.

The Proposed Action includes a request for approval of an Economic Redevelopment Special Permit, Subdivision and Site Plan. The Town Board is the approval authority for the Special Permit and the Planning Board is the approval authority for the Subdivision and Site Plan.

The Proposed Action is a Type I action. The Town Board authorized the circulation of its Notice of Intent to Declare Lead Agency on August 26, 2021 and the circulation was sent to all known involved and interested agencies on September 13, 2021.

Summary of Rationale for Negative Declaration

The Proposed Action will not result in any significant adverse impacts on the environment.

- **Impact on Land: The Proposed Action will not have a significant adverse environmental impact as a result of any physical alteration to the project site.**

  The overall disturbance area of the Proposed Action is approximately 19.6 acres. Most of the proposed disturbance includes areas of the site that have previously been disturbed, as the Property is currently developed with an asphalt parking lot. The existing topography of the project site is mostly flat except for a grass berm located to the west of Gate 2 along NYS Route 52. A majority of the project site currently contains impervious pavement with several landscaped islands. No increase in impervious areas is proposed.

  Project construction will likely last approximately 24 months due to the size of the project and potential unavoidable factors such as adverse weather conditions. Numerous measures will be undertaken throughout the construction period that will result in the project not having a potential significant adverse environmental impact due to the length of the project's construction. These measures are discussed in detail in the Stormwater Pollution Prevention Plan and incorporated by reference herein.

  Due to the disturbance of earth during construction, best management practices (BMPs) will be employed to minimize potential impacts to air quality and storm water quality. To minimize dust impacts, selective clearing and grubbing will be performed as needed. As soon as grading operations for an area are completed, the area will be temporarily stabilized until it can be paved, landscaped or otherwise completed. Dust will also be controlled with the use of an on-site water truck and misting stations. Other measures during earthwork will include wetting the soil surfaces, covering trucks and stored materials with a tarp, and proper maintenance of equipment. Stabilized construction entrances will be used at all construction entrances to the Site to minimize trucks tracking soil onto public roads.

  Project construction has been designed to avoid and/or minimize potential adverse construction-related impacts to the maximum extent possible with the measures outlined above. Based on the information set forth herein, the Proposed Action will not have a significant adverse environmental impact as a result of physical changes to the Property.

- **Impact on Geological Features: The Proposed Action will not have a significant adverse environmental impact on any unique or unusual land forms on the site.**

  There are no unique geological features on the Property.

- **Impacts on Surface Water: The Proposed Action will not have a significant adverse environmental impact on wetlands or other surface water.**

  The Town Board reviewed the information within the FEAF related to existing conditions of the Property in relation to surface waters and wetlands and makes the findings below.

  Wetlands.

  1. An evaluation and delineation of wetlands/watercourses was completed by GHD, Inc. (Gregory Kunka, P.W.S.) as described in the report entitled "Wetland Delineation," dated May 21, 2021, for the entire Property and the immediately surrounding area. The delineation was performed in accordance with the U.S. Army Corp of Engineers 1987 Wetland Delineation Manual, Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Northcentral and Northeast, and New York State Wetlands Delineation Manual.

     Based on the results of the wetland delineation by GHD, one area containing wetlands totaling 0.383 acres was identified in a vegetated swale at the eastern portion of the site. Hydrology for the wetland is currently provided by stormwater runoff from the site and surrounding areas. No disturbance to this wetland is proposed. Stormwater from the Project will include water quality treatment measures in accordance with applicable standards which would improve upon existing conditions.

     Section 110-2 of the Town Code defines "wetlands" as "all portions of NYSDEC regulated wetlands and buffers, all portions of USACOE regulated wetlands, and all portions of 'isolated' wetlands not regulated by either NYSDEC or USACOE and with an area of 1/2 acre or more." Thus, under the Town's regulatory threshold for wetlands, the area identified by GHD consisting of 0.383 acres does not constitute a regulated wetland.

  1. The Proposed Action does not include activities within the limits of onsite wetlands or within the 100-foot NYSDEC Adjacent Area associated with the off-site mapped and regulated NYSDEC wetlands.

  The Proposed Action will not result in any significant adverse impact to wetlands or other surface water.

- **Impact on Groundwater: The Proposed Action will not have a significant adverse environmental impact on groundwater quality or quantity.**

  The Project does not propose any discharge of wastewater or other contaminants to groundwater. The Project will be connected to the existing public water distribution and sanitary sewer systems. Water usage and liquid waste generation is anticipated to

be 1,245 gallons per day. Adequate water supply and sewer capacity exist for these flows. (See also, "Impact to Water and Wastewater" and "Impact to Human Health," below).

The Proposed Action will not result in any significant adverse impact to groundwater quality or quantity.

- **Impact on Water and Wastewater: The Proposed Action will not have a significant adverse environmental impact on water or sewer service.**

The Town Board has evaluated all potential impacts related to the project and finds that the project will not result in any significant adverse environmental impacts related to water or sewer service.

Demands

The water and sewer demands for the Proposed Action were estimated from Table B-3, "Typical Per-Unit Hydraulic Loading Rates" as provided in the New York State Design Standards for Intermediate Sized Wastewater Treatment Systems (2014). The proposed warehouse will have up to 74 employees working each day (33 people for two shifts, 8 people for one shift). The category "Factory / Distribution Warehouse" is most applicable and has a unit loading rate of 15 gallons per day (gpd) per shift. The facility will not have showers. Therefore, the estimated water and sewer demand for the warehouse is 1,110 gpd. The guard post will have one employee stationed full time, twenty-four hours a day. The facility will have its own restroom. The same unit loading rate as the warehouse will be used in this case; therefore, the estimated water and sewer demand for the guard post is 45 gpd. The Fleet Center will have a restroom and floor drains in a maintenance area for vehicle repairs. The building will have an oil-water separator for the floor drains. The Fleet Center will not have a wash bay and drainage from the floor drains is anticipated to be minimal, consisting of drips from rain or melting snow. It is anticipated that 6 employees will staff the Fleet Center over two shifts (3 people per shift). As with the previous buildings, the category "Factory / Distribution Warehouse" is most applicable; therefore, the estimated water and sewer demand for the Fleet Center is 90 gpd. The proposed East Fishkill Fulfillment Center project will have an estimated total water and sewer demand of 1,245 gpd for three buildings. Adequate water supply and sewer capacity exist for these flows.

Water

The proposed project will receive water supply from the Dutchess County Water and Wastewater Authority (DCWWA) which has sufficient capacity to supply the project. The Dutchess County twenty-inch supply line enters the site from the northwest corner and continues into the site with ownership transferring to Global Foundries at Building 350. A twenty-inch water main leaves building 350 and proceeds easterly across the project site. A portion of this water line is being relocated as part of the project. The

water supply for both fire and domestic service will be from this twenty-inch line which crosses the site. The domestic water service for the site has been designed in accordance with the requirements of the Ten States Recommended Standards for Water Works, latest edition, and the plumbing code of New York State. Domestic water supply will be provided at the main warehouse, the fleet center, and the guard booth. Fire protection water service will be provided to the warehouse.

The fire flow demand for the warehouse will be met by the use of a fire pump located in a fire pump room. The fire pump shall be supplied with water from the DCWWA and shall provide 2500 gpm at 120 psi. Fire protection for the building will be designed in conformance with the Fire Code of New York State and NFPA 13. The fire pump shall be designed in accordance with NFPA 20. Six hydrants are provided at the perimeter of the warehouse and a new hydrant is located near the Fleet Center building. Existing hydrants are present on site in the area of the guard house.

Accordingly, the proposed project will not create any significant adverse water or water service impacts.

Wastewater

The projected wastewater generation for the site is 1,245 gpd for three buildings. The wastewater is being designed to outfall to the existing business park sanitary sewer collection system. The outfall connection point for the project is at a sanitary manhole southwest of the project parcel. No truck washing or manufacturing is taking place at the project site and as such all wastewater from the project site will be from bathroom facilities only.

The elevation of the proposed buildings will not allow for gravity sewer connections; therefore, individual low pressure sewer pump stations are proposed. Because the estimated sewer generation for each building is very small, compact semi-positive displacement grinder pump stations will be provided by E-One for each building's sewer lateral. The semi-positive displacement pumps have a near-vertical pump curve which results in a typical flow rate of 11-14 gallons per minute (gpm) when the pump is active, regardless of backpressure. Each pump station will consist of a fiberglass wet well and two grinder pumps. The pump stations will pump into a common 2-inch DR-11 HDPE force main manifold, which will convey the wastewater to the nearest existing gravity manhole for treatment at the adjacent wastewater treatment plant. This small diameter force main is possible due to the macerating action of the grinder pumps to prevent any clogging.

Backup generators will be included as part of the development to provide standby emergency power to the pump stations. The stations will be vented with a GAC odor control scrubber. Each station will have its own discharge check valve to prevent backflow when the other stations are pumping.

All water and sewer line installation, disinfecting, flushing, bacteriological testing, and installation of service connections shall be completed in accordance with the latest version of American Water Works Association (AWWA) Standards, 10 State Standards, New York State Design Standards for Intermediate Sized Wastewater Treatment Systems (2014), and Dutchess County Design and Construction Standards.

The sanitary system for the business park, that the site connects into, conveys wastewater to the Global Foundries Sewer Treatment Plant immediately to the west of the business park. The treatment plant outfalls to Gildersleeve Brook and has the capacity to accept the proposed wastewater generated from the project site.

Accordingly, the proposed project will not create any significant adverse wastewater impacts.

Conclusion

The Proposed Action will not result in any significant adverse impact to water or sewer service.

- **Impact on Flooding: The Proposed Action will not have a significant adverse environmental impact on or alter drainage flows or patterns, or surface water runoff.**

The Applicant prepared a Stormwater Pollution Prevention Plan (SWPPP) in accordance with the requirements of the Town of East Fishkill and the New York State Department of Environmental Conservation (NYSDEC) State Pollutant Discharge Elimination System (SPDES) General Permit for Stormwater Discharges from Construction Activity (GP-0-20-001) technical standards. The SWPPP identifies the erosion and sediment control, pollution prevention and stormwater management measures to be implemented during construction to minimize soil erosion and control sediment transport off site and after construction to control and treat stormwater run-off from the developed site. The project is considered a redevelopment project and as such will be designed in accordance with Chapter 9 of the New State Stormwater Management Design Manual. Erosion Control Practices will be implemented in accordance with the New York State Standards and Specifications for Erosion and Sediment Control. To evaluate the potential impacts associated with the development of the site, existing and proposed condition hydrographs were generated using standard NRCS TR-55 methodology. The existing and post development condition peak flows and required Water Quality Volumes (WQv) were computed for the proposed project. Since the project will result in a reduction of impervious area, peak flow mitigation of the 10 year and 100-year storm events will not be required. Water Quality treatment will be provided in accordance with Chapter 9 of the Design Manual utilizing hydrodynamic separators.

Accordingly, based on the proper construction and maintenance of the measures for erosion control, sediment control, pollution prevention and stormwater management measures in accordance with the requirements outlined in the SWPPP and the accompanying project plans, the Proposed Action will not result in any significant adverse impacts on or alter drainage flows or patterns, or surface water runoff.

- **Impact on Air: The Proposed Action will not have a significant adverse environmental impact on air quality.**

The Town Board has reviewed the relevant facts related to air quality and makes the findings below:

1. Pursuant to 6 NYCRR 217-3.2, idling for heavy duty vehicles is limited to no more than five (5) consecutive minutes when the vehicles are not in motion. This will significantly limit any noxious fumes emitted by tractor trailers.
2. The building is proposed to be heated primary by natural gas.
3. No air permits from New York State or Federal agencies are required in order to operate the facility.
4. Construction activities associated with grading and excavation could result in temporary air quality impacts. Air quality in the area, however, is not expected to be significantly impacted by project construction because the construction activities will be temporary and confined to the Property. Construction vehicles will emit certain air pollutants through engine exhaust. There is also the potential for fugitive dust to be created during the construction period from site preparation activities, including removal of existing impervious surfaces and vegetation, and site grading. These unavoidable short term impacts to air quality will cease upon project completion. Construction will be conducted in accordance with all applicable federal, state and local codes and is expected to continue for approximately 24 months.

The Proposed Action will not create any significant adverse impact on air quality.

- **Impact on Plants and Animals: The Proposed Action will not have a significant adverse environmental impact on flora or fauna.**

Burns & McDonnell Consultants, Inc. prepared a report dated June 24, 2021 which reviewed the potential for threatened and endangered species on the Property. The report included a desktop review of the site for rare, threatened, or endangered species, including review of on-line GIS data layers available from United States Fish and Wildlife Service (USFWS) and New York State Department of Environmental Conservation (NYSDEC). In addition, the report included the results of an on-site survey conducted on May 12, 2021.

Burns & McDonnell visually assessed all existing site characteristics and surveyed the Project site for natural habitats and communities on, and in the immediate vicinity of, the site including wetlands, waterbodies, and native and invasive woody and

herbaceous plants. Tree, shrub, and herbaceous species were noted in planted landscaped areas as well as a wooded area in the northeast corner of the site. A small (less than 0.50 acres) emergent and forested wetland is located within the wooded area. A large floodplain forest is indicated near the site as mapped by NYSDEC, although this natural community is not found directly on the site. Burns & McDonnell concluded that development activities will improve upon existing conditions and not affect the natural community.

Based on consultation with USFWS, species federally listed, or proposed to be listed, that may be present in the area of the Property is the Indiana Bat (*Myotis sodalis*), which is listed as endangered under the Endangered Species Act, and is also state-listed as endangered. Seven species of birds were identified on the USFWS Birds of Conservation Concern (BCC) list or as warranting special attention in the project location, but the probability of the presence of five of the seven bird species is low (i.e., likely to be present for a single week or a few weeks in any given year). The other two bird species, Bald Eagle and Black-capped Chickadee, have a higher probability of presence in the area, but as described below, the site was not found to provide suitable habitat due largely to its highly developed setting.

The site was also evaluated for potential habitat for the Bog Turtle (*Glyptemys muhlenbergii*), due to the fact that the NYSDEC website indicates that the Property is located within a mapped distribution area for the species. Results of the site survey indicated a lack of suitable habitat due to the current development condition consisting of mostly paved areas, access roads, and planted lawns.

Burns & McDonnell concluded that, in general, habitat for all wildlife at the Property is very limited, and is broadly non-existent for the species listed above due to the fact that the Property is in a developed industrial area and is mostly paved with asphalt. Aside from the wooded area in the northeast corner of the Property, the only vegetation consists of planted lawn, mulched areas, and trees associated with landscaped islands within or adjacent to paved areas, and “street trees” at the periphery of the site, main entrance drive, and the internal circulation drive. Suitable habitat for Bog Turtle or Indiana Bat is not present on the Property, nor were the species observed during the site walk, and therefore there would be no impact to these listed species by the proposed project. For similar reasons, there would be no impact to migratory bird species.

The Proposed Action will not have a significant adverse impact on flora or fauna.

- **Impact on Agricultural Resources. The Proposed Action will not have a significant adverse environmental impact on agricultural resources.**

The Property does not contain and is not contiguous to any agricultural land.

- **Impact on Aesthetic Resources: The Proposed Action will not have a significant adverse environmental impact on aesthetic resources.**

  The Proposed Action will not result in the obstruction, elimination or significant screening of one or more officially designated scenic views. Motorists traveling on NY State Route 52 will have fleeting views of the project. Vegetative buffers and grade changes between the site and NY State Route 52 create a location for the proposed building that is partially screened from view.

  The project has been designed to be consistent with the character of the surrounding industrial campus and it is subject to an architectural review by the Town Architectural Review Committee and the Planning Board. The elevations for the proposed buildings were revised to address comments from the ARC to provide colors that are compatible with those of other developments in the area, as well as to provide a better scale and more attractive "streetscape" as viewed from NYS Route 52. Additionally, new trees will be planted within the new parking lot, along the north and west side of the fulfillment center, within the grassed berm west of Gate 2, and at the perimeter of the Property for screening of the proposed activities at the Property.

  Therefore, the Project will not have a significant adverse impact on aesthetic resources.

- **Impact on Historic and Archeological Resources: The Proposed Action will not have a significant adverse environmental impact on historic or archeological resources.**

  The New York State Office of Parks, Recreation and Historic Preservation (NYSOPRHP) State Historic Preservation Office (SHPO) Cultural Resource Information System (CRIS) was reviewed for information relevant to any historic or archeological resources at the project site. The CRIS indicates that a portion of the project area is within area designated as archeologically sensitive. No National Register listed or eligible properties are mapped within or adjacent to the project area. The proposed project site is located almost entirely on a parking lot that was previously graded. Prior disturbance of the site is also supported by the Natural Resources Conservation Service Web Soil Survey, which indicates that the soils within the project area are primarily Urban Land (Ur) and Udorthents, smoothed (Ud).

  The project has been designed to be consistent with the nearby development in the industrial park within which the project will be located. Impacts to archeological and historic resources are not anticipated since there are no listed or eligible properties in or near the project area and since the project area has been previously disturbed.

  Accordingly, the Proposed Action will not have a significant adverse impact on historic or archeological resources.

- **Impact on Open Space and Recreation: The Proposed Action will not have a significant adverse environmental impact on open space and recreation.**

  The area of the Proposed Action is not designated as open space by the Town of East Fishkill. The Proposed Action will not result in the loss of a current or future recreational resource, eliminate significant open space, or result in loss of an area now used informally by the community as an open space resource.

- **Impact on Critical Environmental Areas: The Proposed Action will not have a significant adverse environmental impact on Critical Environmental Areas.**

  The Proposed Action is not located in a Critical Environmental Area.

- **Impact on Transportation: The Proposed Action will not have a significant adverse environmental impact on transportation.**

  The Proposed Project is located on the NYS Route 52 corridor, a major regional thoroughfare that runs through the Town of East Fishkill, and iPark Boulevard, an arterial connecting NYS Route 52 with Interstate 84 (I-84). According to the Traffic Impact Study (TIS) prepared by AKRF, Inc. dated September 20, 2021 and submitted as part of the EAF, regional access to the site will primarily be provided via iPark Boulevard at Gate 3, a signalized intersection to be utilized by the vast majority of the passenger cars (workers and visitors) and by all the trucks with some passenger cars (workers and visitors) utilizing the unsignalized intersection of NYS Route 52 with Gate 2. Gate 3 will be designed to provide a bypass lane for passenger car traffic to reduce the comingling of truck and passenger car traffic and to ensure there is no congestion or delays at this gate due to the Proposed Project. As per direction from the New York State Department of Transportation (NYSDOT) the existing bagged traffic signal will be removed from the Gate 2 and NYS Route 52 intersection. Frito Lay will obtain a Highway Work Permit (HWP) for this and any roadway work to be performed in the NYSDOT Right-of-Way (ROW).

  The Town reviewed the following information within the EAF related to TIS and the following summaries the key findings below:

  1. According to the TIS, the proposed projects would generate approximately 114 new trips (57 entering, 57 exiting) during the weekday morning peak hour and 103 new trips (70 entering, 33 exiting) during the weekday evening peak hour. As part of the TIS, a capacity analysis was performed at the following intersections (the TIS was conservative in superimposing the peak of the Proposed Project onto the peak of the roadway network, although the two do not coincide):

     a. NYS Route 52 & Palen Road/County Route 31/Gate 1
     b. NYS Route 52 & East Drive/Gate 2
     c. NYS Route 52 & iPark Boulevard/County Road 27

d. iPark Boulevard/County Road 27 & Shenandoah Road/Gate 3
e. iPark Boulevard/County Road 27 & Old Lime Kiln Road/Gate 5
f. I-84 Westbound Ramps & iPark Boulevard/County Road 27
g. I-84 Eastbound Ramps & iPark Boulevard/County Road 27

2. The TIS projected traffic volumes to include existing traffic and new traffic generated by background growth, other project proposed on iPark property and nearby approved developments including Project Redtail (Amazon) as provided by the Town Planner to derive the 2023 No Build traffic volumes. The site-generated trips were added to the 2023 No Build traffic volumes to derive the 2023 Build traffic volumes.

3. The TIS includes a summary of the most recent pre-pandemic three-year crash data obtained from NYSDOT, which showed that no high crash locations are present in the study area. Based on the crash history, the Proposed Project is not anticipated to exacerbate the crash experience in at the study area intersections.

4. The proposed truck traffic related to the project operation will be restricted from accessing the site via Gate 2 and will not utilize NYS Route 52 for access to the site. Trucks accessing the Proposed Project will access the site via I-84 and the iPark Boulevard/Gate 3/Shenandoah Road intersection.

5. As part of the Proposed Project, the Applicant will reopen Gate 2 (currently a closed gate with a bagged traffic signal). The NYS Route 52 and East Drive intersection will be utilized for access by passenger cars only. The NYSDOT has requested for the existing bagged traffic signal to be removed by the Applicant in coordination with the Town and NYSDOT. The Applicant will obtain a HWP relating to the removal of the traffic signal at Gate 2 and for any other work to be performed within the NYSDOT ROW (all work to be performed and designed to NYSDOT standards).

6. Based on a field visit on September 21, 2021 with NYSDOT, Town's traffic consultant and the Applicant's traffic consultant (AKRF), it was determined that a westbound NYS Route 52 left turn lane would not be required and that NYSDOT had no objections to the operation of the Gate 2 as a full movement, unsignalized intersection. AKRF prepared a supplemental iPark Warehouse Development – Gate 2 Alternative Operation Memorandum dated September 21, 2021 summarizing the analysis of the Gate 2 intersection based on the full movement unsignalized intersection discussed at the field visit with the NYSDOT. The memo found that the operation of Gate 2 would not result in any significant impacts to traffic operating conditions along the NYS Route 52 corridor based on the outlined limited use by employees and visitors utilizing the Route 52 corridor.

7. Based on the analysis, the Proposed Project is not anticipated to generate significant impacts to traffic or safety conditions on the adjacent roadway network. The Town's traffic consultant, HVEA Engineers, reviewed AKRF's traffic study and concurred with the results of the analysis

Accordingly, the Proposed Project Will not result in any significant adverse traffic or transportation and safety impacts.

- **Impact on Energy: The Proposed Action will not have a significant adverse environmental impact on energy.**

  The existing energy infrastructure will adequately serve the anticipated additional demand. The Proposed Action does not require a new substation, or an upgrade to any existing substation.

  All building construction proposed at the project site shall comply with state and local codes. Standards apply to the use of energy-efficient building materials (e.g., insulation, windows, weather stripping, door seals, etc.) and mechanical systems (e.g., air conditioners, heating systems, HVAC systems, water heaters, heat pumps, etc.), which minimize the amount of energy required. The New York State Environmental Conservation Law also requires that water saving plumbing fixtures be installed that meet water conservation flow standards. The purpose of installing this equipment is to conserve energy resources required to heat the water and minimize unnecessary water loss. All mechanical equipment within the building is being designed to energy code standards, with high-efficiency motors, transformers, etc. Building ventilation is also being designed to meet or exceed the latest energy code requirements. All light fixtures within the building are LED type which will consume a smaller energy footprint than fluorescent or incandescent lighting.

  For the reasons noted above, the proposed development will not have a potential significant adverse impact on energy resources.

- **Impact on Noise, Odor and Light: The Proposed Action will not have a significant adverse environmental impact as a result of objectionable odors, noise or light.**

  A sound study was completed by Burns & McDonnell, dated June 2021, to assess the potential for noise impacts of the construction and operation of the Project. Federal, State, and local documentation were utilized to determine the noise guidance and regulations applicable to the Project. Ambient sound level measurements were taken as a part of this study to quantify the existing sound environment and to establish sound levels for comparison to the NYSDEC guidance requirements. The Project includes stationary noise emitting heating, ventilation, and air conditioning (HVAC) equipment

on the buildings and intermittent noise from truck traffic shipping activities. The equipment and truck impacts were assessed through the development of a sound model.

Noise emissions from the Project are predicted to be below the Town of East Fishkill noise ordinance limit of 70 dBA at the noise-sensitive receptors. The modeled results also show the predicted Project sound levels are not expected to increase the existing ambient levels by more than 6 dBA at noise sensitive receptors, satisfying the NYSDEC guidance requirement for when adverse impacts regarding noise would occur. In addition, the peak hours of operation for the Project would not be expected to coincide with peak shifts of the adjacent Amazon facility or the AM or PM peak traffic hours on Route 52. Therefore, the Project would not be anticipated to result in any cumulative noise impacts. Regarding noise from unavoidable temporary construction activities, it is expected that such noise will generally be below the peak road noise and will not result in any significant adverse impact.

The Proposed Action is not anticipated to generate any noxious odors. No manufacturing will take place at the site.

Site lighting at both the fulfillment center and fleet center will consist of a combination of wall-packs, flood lights, and pole-mounted light fixtures. Pole-mounted light fixtures will be installed on 20-foot Round Straight Steel (RSS) poles, with fixtures around the property being tilted in toward the site. Wall-packs and flood lights will be mounted to the exterior walls of both the fulfillment center and fleet center, at varying heights from 10 to 30 feet above finished grade. Light fixtures used will be Nighttime Friendly and Dark-Sky Approved by the International Dark-Sky Association. Site lighting will also be designed to minimize spillage and impact to adjacent properties. Light poles will be at heights so that the average light intensity will be equal to or less than 5fc in high security areas and 1fc in other areas. Color temperature of light fixtures will be 3,000K. All site lighting will feature up-light visors, and lighting fixtures around the perimeter of the property will additionally include back visors to protect neighboring properties from light trespass. A detailed photometric plan was submitted to the Town Planning Board on October 7, 2021.

Accordingly, the Proposed Action will not have a significant adverse impact as a result of noise, odor or light.

- **Impact on Human Health: The Proposed Action will not have a significant adverse environmental impact on human health from exposure to new or existing sources of contaminants.**

The Former IBM East Fishkill Facility (State Superfund Program Remediation Site #314054, 6 NYCRR Part 373 Permit No. 3-1328-00025/00249, and EPA ID NYD000707901) East Campus consists of approximately 464-acres of land with approximately 2.7 million square-feet of building space and associated asphalt-paved parking and driving areas and landscaped areas, and is currently owned by i.Park (Lots

2, 3, 4, 6, 7, and 8) and Global Foundries (Global) (Lots 1 and 5) (collectively referred to as the "Site"). The Proposed Action which has been studied by the Town Board as Lead Agency concerns an approximately 28.4 acre portion of the Site of what is known as the "Route 52 Corridor" or "Perimeter Area" and referred to as new Lot 9.

Based on a review of historical documents, Lot 9 was historically owned and operated by IBM, who started their operations at the Property in 1962 for the development and manufacturing of semiconductors, semiconductor packaging, and electronic computing equipment. Global purchased the Property from IBM in 2015 and in turn sold a portion of the Site, which includes Lot 9, to i.Park in August 2017. The review of historical information confirms the Lot 9 was not utilized for manufacturing or waste storage activities and consisted only of asphalt-paved parking and driving areas since development by IBM circa 1962 to the present.

Numerous environmental investigations have been conducted at the Site. Environmental investigations and remediation at the Site are ongoing by IBM and under the oversight of the NYSDEC and U.S. EPA. IBM continues to conduct monthly sampling of 165 locations and quarterly groundwater elevation measurements of 387 wells to confirm on-site hydraulic control and containment of the contaminated groundwater. IBM pumps and treats groundwater from the on-site deep bedrock production well system, thus preventing off-site migration. The use of groundwater as a source of drinking water is no longer allowed and the Site, including Lot 9, is (or in the case of Lot 9, will be) serviced by the Town of Poughkeepsie municipal water supply.

These investigations have identified chlorinated and non-chlorinated volatile organic constituents (VOCs) of concern in both the soil and groundwater in several defined areas of the Site, referred to as Areas of Concern ("AOC"). There is no evidence of surface water and sediment contamination at the Site. The impacted soil and groundwater at the AOC's are being remediated through the implementation of interim corrective measures (ICMs) in the AOC's identified as Areas A, B, C, D, Building 320, Building 330, Building 322, the Southeast Quadrant, and the deeper bedrock. Only a small portion of Area A, as depicted on the Site Plan and Subdivision Map is located on Lot 9. However, investigations of Lot 9 have found no evidence of impacted soils based on the 6 NYCRR Part 375-6.8(b) restricted use Soil Cleanup Objectives (SCOs). Generally, on the Site itself in the AOC, the remediation consists of a combination of source removal, continuous groundwater pumping and treating, air stripping and carbon adsorption and active and passive, as the case may require for a particular area, vapor mitigation systems. No such remedial measures exist on Lot 9.

Both the Fulfillment Center Building and the Fleet Center building will be constructed with a vapor barrier and a passive soil vapor mitigation system. The NYS Department of Health will require the Applicant to conduct an indoor air sample once the buildings are operational. While the vapor mitigation system is designed to be passive, it is also designed and constructed to be modified to operate as an active system should testing warrant such active operation.

As initially proposed, the Fleet Center included a maintenance bay, wash bay and fueling operations (a dispenser and 9,000 gallon above ground tank). During the course of the land use review, the Applicant modified the Proposed Action to remove the wash bay and fueling operations, thus removing an operation that uses petroleum products and other chemicals. The use of the Property as a Fulfillment Center does not involve the creation, use or storage of hazardous materials and accordingly, the Proposed Action does not create new sources of hazardous contaminants or otherwise have an impact on human health due to the release of hazardous contaminants.

Accordingly, based on the (i) extensive investigation at the overall Site and Lot 9, (ii) past use of Lot 9 as a parking lot since 1963; (iii) imposition of an environmental easement containing use restrictions and institutional controls, on Lot 9, in favor of NYSDEC; (iv) investigations on Lot 9 have found no evidence of impacted soils based on the 6 NYCRR Part 375-6.8(b) restricted use Soil Cleanup Objectives (SCOs); (v) that any soils to be excavated will be managed in accordance with a Site Management Plan and Excavation Work Plan reviewed and approved by NYSDEC; and (v) the groundwater is not used for drinking water, that the Proposed Action will not have a significant adverse environmental impact on human health from exposure to new or existing sources of contaminants.

The Proposed Action will not have a significant adverse environmental impact on human health from exposure to new or existing sources of contaminants.

- **Consistency with Community Plans: The Proposed Action is not inconsistent with adopted community plans.**

The Proposed Action would result in the redevelopment, reuse, and reutilization of a vacant and underutilized industrial site with a fulfillment center/warehouse facility. The site was formerly a parking lot for a portion of the IBM East Campus. The Proposed Action would result in the construction of a fulfillment center, fleet center and guardhouse consisting of a total of 155,958 square feet. The fulfillment center is proposed to be a maximum of 50 feet except for 25% of the building footprint which will house the ASRS machinery and will be 79 feet in height. The Proposed Action also includes 20 loading docks, 109 automobile parking spaces, 13 tractor parking spaces and 100 trailer parking spaces. The redevelopment of the vacant, underutilized industrial site would be consistent with the surrounding industrial land uses and the existing industrial zoning, but requires the approval of an Economic Redevelopment Special Permit.

The Proposed Action is in accordance with the stated public policy goals in the Town of East Fishkill Comprehensive Plan (2002). The Plan called for the entire IBM Campus to be used for industrial uses. As originally stated in the Town's 1982 Comprehensive Plan and reiterated in the 2002 Plan, the I-84 corridor is an appropriate location for industrial development. In addition, the Proposed Action is consistent with the Plan's following stated goal: "Identify land with marketable sites and good interstate highway access in

order to attract high-value industry. Industrial zoning shall continue to be maintained near the interstate and reduced near the railroads."

The Proposed Action is consistent with the I-1 zoning district which permits "warehousing and distributing" subject to approval of an Economic Redevelopment Special Permit ("ERSP") by the Town Board. The ERSP allows for greater flexibility of site design to encourage the redevelopment of former industrial campuses in the I-1 zone. The Proposed Action is in conformance with the special permit criteria of the ERSP at §194-46.7 of the Town Code, and meets all site plan and subdivision standards in the Town Code.

As a fulfillment center, the Proposed Action is appropriately located near major thoroughfares and transportation hubs including Interstate Route 84, Route 52, Interstate Route 87, and Stewart International Airport.

Compared with other commercial, residential or institutional uses, fulfillment centers/warehouse facilities have limited impacts on municipal services including the police and fire departments and school districts.

The Proposed Action is compatible with existing land uses in the vicinity, including iPark and Global Foundries. To minimize impacts to surrounding land uses along NYS Route 52, existing natural vegetation along the perimeter of the Property will be left largely intact to serve as a buffer and will be supplemented with additional vegetative screening, including evergreen species.

The Proposed Action will utilize iPark Boulevard/Limekiln Road and Gate 3 as the primary access to the site for trucks and employees. Some passenger vehicles may also utilize Gate 2 off of NYS Route 52.

The Proposed Action will not have a significant adverse impact on community plans, land use or zoning.

- **Consistency with Community Character: The Proposed Action is consistent with existing community character.**

<u>Fiscal:</u>

The Town Board reviewed information related to the fiscal conditions of the Proposed Action and makes the findings below:

1. The current taxable assessed value of the Project site is $973,775. No tax exemptions are recorded for any of the Project site.

2. Property Taxes – The Project is projected to generate significantly higher property tax revenue than the current taxes of approximately $30,000.

3. The Project will be subject to a payment in lieu of taxes (PILOT) agreement. The PILOT is designed to gradually implement taxes over 15 years. Property taxes for Town/County/School over the first 15 years will be approximately $6,500,000 more than if there were no project at all. The Project represents a positive fiscal impact for all taxing districts.

4. Wappingers Central School District (WCSD) – Without residential construction and no school-aged children generated as a result of the Project, the Project would not result in any direct costs to WCSD. Instead, the Project would provide significant tax revenues to the school district.

5. Overall Projected Net Benefits – Over a 15-year lifetime, the Project is projected to have total net benefits of $6,500,000.

6. Construction jobs – Approximately 80 construction jobs are anticipated to be created during the estimated 24-month construction period.

7. Long Term Employment – It is projected that up to 80 full-time equivalent employees will be employed by the Project. Salaries are expected to average approximately $50,000 which is 150% of the average salary in Dutchess County. In addition, robust benefits packages will be offered.

Accordingly, the Proposed Action will create substantial fiscal benefits for local and regional jurisdictions through tax revenues and job creation.

Public Services:

The Town Board reviewed information related to the Proposed Action's demand on public services and makes the findings below:

Police: Private security measures will be implemented at the project site on a 24/7/365 basis, including but not limited to gates and a guardhouse, video surveillance, alarms, and internal staff training. There is no anticipated need for additional police manpower at the project site. Any increase in calls to the police department resulting from the Project will be adequately mitigated by the combination of on-site security measures and the significant tax revenue that will be generated by the Proposed Action.

Fire Protection: The buildings will be constructed in conformance with all fire safety regulations. The project plans were reviewed by the Town Fire Advisory Board and the East Fishkill Fire District. Concerns were raised about the ability of the Fire District to service the proposed building due a portion of the building proposed at a height of 79 feet. The portion of the building proposed at 79 feet will provide vertical space for the fulfillment center's inventory and will not include habitable space in the upper reaches of the building. The Applicant has agreed to provide a mitigation payment to the East

Fishkill Fire District representing its fair share toward the District's purchase of an apparatus to service the proposed building. Due to these measures, the Proposed Action will not have a significant adverse impact on fire services.

EMS: The rescue squad is a division of the EFFD and is a volunteer Basic Life Support (BLS) ambulance service that provides emergency medical service to East Fishkill and surrounding communities under pre-planned mutual aid agreements 24 hours a day, 7 days a week. The Proposed Action will be designed to accommodate all emergency service needs, including EMS equipment. The Proposed Action will not result in a significant adverse impact on emergency medical services. Any increase in calls to the police department resulting from the Project will be adequately mitigated by the significant tax revenue that will be generated by the Proposed Action

School District: The Proposed Action will not generate any school-aged children since it is not a residential development. The School District will, however, receive increase tax revenue from this Property as a result of the Proposed Action.

The Proposed Action will not have a significant adverse impact on community character, including community services.

Based upon this information and the information in the Full Environmental Assessment Form and all other materials submitted to the Town Board in connection with the Proposed Action, the Town Board finds that the Proposed Action will not have any significant adverse impacts upon the environment.

Adopted: November 4, 2021
East Fishkill, New York

Motion by Councilman Beephan, seconded by Councilman Franco:

COUNCILMEN		
Anil Beephan	Voting	AYE
Emanuele Marinaro	Voting	AYE
Peter Cassidy	Voting	AYE
Tom Franco	Voting	AYE

Nicholas D'Alessandro, Supervisor	Voting	AYE

FINAL AUTHORIZING RESOLUTION
(POU Development LLC 2025 Project)

At a regular meeting of the Dutchess County Industrial Development Agency (the "Agency") convened in public session at 8:00 a.m., local time at Three Neptune Road, Poughkeepsie, New York on September 10, 2025, the following members of the Agency were:

PRESENT: Mark Doyle, Chairman
Ronald J. Piccone, II, Vice Chairman
Thomas J. LeCount, Secretary
Amy L. Bombardieri
Deirdre A. Houston
Brian C. Berryann

ABSENT:

ALSO PRESENT: Jane Denbaum, Chief Financial Officer
Donald Cappillino, Counsel
Elizabeth A. Cappillino, Counsel

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to, or a leasehold interest in, a certain industrial development facility (POU Development LLC 2025 Project) and the leasing of the facility as more particularly described below:

RESOLUTION OF THE DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, RECONSTRUCTION, REPAIR, RENOVATION, INSTALLATION, FURNISHING AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR POU DEVELOPMENT LLC AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

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

WHEREAS, POU DEVELOPMENT LLC, a Delaware limited liability company authorized to transact business in the State of New York, having offices at 1209 Orange Street, Wilmington, Delaware 19801 (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 and real property taxes (collectively, the "**Financial Assistance**") for the following project (the "**Project**") in connection with the construction, improvement, reconstruction, repair,

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renovation, installation, furnishing and equipping of a certain aircraft hangar facility (the "**Facility**") consisting of the following:

(A) the construction of (a) two (2) pre-fabricated aircraft hangars, each approximately 36,612 square feet in size and each including approximately 6,058 +/- square feet of office space with restrooms, with the east hangar to include an approximately 3,165 square foot attached ground support equipment building; and (b) additional site improvements including construction of an approximately 90,000 square foot aircraft apron providing access from Taxiway D to both hangars, construction of an approximately 30,000 square foot parking lot and access drive for tenant access, removal of existing tie-downs, removal of nine (9) existing taxiway lights, installation of a 4-6 foot gravity block retaining wall west of the hangars for grade stabilization, replacement of existing fencing and installation of additional fencing, as well as infrastructure improvements for installation of water, gas, and electric utilities for both hangars (the "**Improvements**"), all located on approximately 8.89 acres of land adjacent to Taxiway D, being a portion of the approximately 510.80-acre Hudson Valley Regional Airport parcel located at 4 Citation Drive, Town of Wappinger, County of Dutchess, State of New York, which bears Tax Map Grid No. 135689-6259-03-225301 (the "**Land**"); and

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

WHEREAS, the 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 by resolution duly adopted on February 12, 2025 (the "**Preliminary Resolution**"), decided to proceed under the provisions of the Act; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of September 1, 2025, or such other date as the Chairman, Vice Chairman, Executive Director or Chief Financial Officer of the Agency and counsel to the Agency shall agree (the "**Company Lease**"), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the "**Bill of Sale**"), from the Company to the Agency; and

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WHEREAS, the Agency will sublease and lease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of September 1, 2025, or such other date as the Chairman, Vice Chairman, Executive Director or Chief Financial Officer of the Agency and counsel to the Agency shall agree (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of (i) exemptions from sales and use taxes in an amount not to exceed $1,295,438.00 in connection with the purchase or lease of equipment, building materials, services or other personal property with the respect to the Facility; (ii) exemptions from mortgage recording taxes for one or more mortgages securing an amount not to exceed $26,550,643.00 in connection with the Project Work; and (iii) abatement of real property taxes on the Facility as set forth in the PILOT Schedule attached as Exhibit A hereof; 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 Project has undergone a coordinated review under SEQRA by the Dutchess County Department of Public Works, as Lead Agency and has been classified as an Unlisted Action under SEQRA; and

WHEREAS, on May 12, 2025, the Dutchess County Legislature made a Negative Declaration and Determination of Non-Significance (the "**Negative Declaration**") determining that the Project will not have a "significant impact" or "significant effect" on the environment as defined under SEQRA with the reasons for its determination stated therein; and

WHEREAS, the Agency hereby adopts the reasoning set forth in the Negative Declaration and hereby determines that the Project will not have a "significant impact" or "significant effect" on the environment as defined under SEQRA; and

WHEREAS, the proposed real property tax abatement requested by the Company deviates from the Standard PILOT Schedule in the Agency's Uniform Tax Exemption and Criteria Policy (the "**UTEP**") but has been consented to by the Town of Wappinger and by the Wappingers Central School District, which consent was expressed by Joseph D. Cavaccini, Wappinger Town Supervisor and Dr. Dwight Bonk, Superintendent of Schools of the Wappingers Central School District on the record at the Agency's February 12, 2025 meeting; and

WHEREAS, in compliance with §859-a of the Act, the Agency on August 25, 2025, held a public hearing on the grant of financial assistance as set forth herein following publication in the *Poughkeepsie Journal* on August 15, 2025 of a notice of the public hearing; and

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WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company.

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

Section 1. The Agency hereby finds and determines:

(a) As set forth in the Dutchess County Legislature's Negative Declaration, the Project will not have a "significant adverse impact" or "significant adverse effect" on the environment as defined under SEQRA and the Agency hereby adopts the reasoning and findings set forth in the Negative Declaration.

Section 2. The Agency further hereby finds and determines:

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

(b) The Facility constitutes a "project", as such term is defined in the Act; and

(c) The public hearing held by the Agency on August 25, 2025, concerning the grant of Financial Assistance as set forth herein and the nature and location of the Facility was duly held in accordance with the laws of the State of New York, including but not limited to the giving of public notice of the meeting a reasonable time before the meeting and affording a reasonable opportunity for persons with differing views to be heard on Agency's providing the financial assistance contemplated herein and the location and nature of the Facility; and

(d) The Project Work and the leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Dutchess County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(e) the proposed real property tax abatement requested by the Company deviates from the Standard PILOT in the Agency's UTEP, but the conditions of the Agency's UTEP have been met and a deviation is warranted;

(f) The Project will serve the Agency's public purposes as set forth in the Act by preserving or increasing the number of permanent, private sector jobs in Dutchess County and the State of New York.

(g) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of Dutchess County and all regional and local land use plans for the area in which the Facility is located; and

(h) It is desirable and in the public interest for the Agency to approve the requested Financial Assistance for this Project; and

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(i) The Company Lease will be an effective instrument whereby the Agency leases the Land and Improvements from the Company; and

(j) The Lease Agreement will be an effective instrument whereby: (1) the Agency leases and subleases the Facility to the Company; (2) the Agency and the Company set forth the terms and conditions of their agreement regarding the Company's payments-in-lieu of real property taxes; (3) the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws; and (4) the Agency and the Company set forth the circumstances in which the Agency may recapture some or all of the benefits granted to the Company in the event any enumerated Recapture Event (as defined therein) occurs.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sublease and lease the Facility to the Company pursuant to the Lease Agreement, and (iv) execute, deliver and perform the Lease Agreement.

Section 4. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 5. The form and substance of the Company Lease and the Lease Agreement, (each in substantially the forms presented to the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 6. Recapture Provisions. The Agency has retained certain recapture rights under the terms and conditions of the Lease Agreement upon the occurrence of a Recapture Event as defined therein. Section 5.4 of the Lease Agreement relating to recapture rights by the Agency against the Company is attached hereto and made a part hereof as Exhibit B.

Section 7. Based upon the representation and warranties made by the Company in the Application, the Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the Project Work in the form of: (i) exemptions from sales and use taxes in an approximate amount not to exceed $1,295,438 in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility; (ii) exemptions from mortgage recording taxes for one or more mortgages securing an amount not to exceed $26,550,643.00, in connection with the financing of the acquisition, construction, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing, renovating and equipping of the Facility; and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof). The Agency agrees to consider any requests by the Company for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

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Section 8. Subject to (i) execution of the Agency Documents by the Company and (ii) the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Facility satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the Project Work and appoints the Company as the true and lawful agent of the Agency.

Section 9.

(a) The Chairman, Vice Chairman, any member of the Agency, Executive Director and Chief Financial Officer of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease and the Lease Agreement, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, any member of the Agency, Executive Director or Chief Financial Officer shall approve, and such other related documents as may be, in the judgment of the Executive Director or Chief Financial Officer and Agency Counsel necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Vice Chairman, any member of the Agency, Executive Director or Chief Financial Officer of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, any member of the Agency, Executive Director and Chief Financial Officer of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement). 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 transaction.

Section 10. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 11. This resolution shall take effect immediately.

This resolution was duly moved by Amy L. Bombardieri, seconded by Ronald J. Piccone, II, discussed and adopted with the following members voting:

Mark Doyle, Chairman	VOTING	"Aye"
Ronald J. Piccone, II, Vice Chairman	VOTING	"Aye"
Thomas J. LeCount, Secretary	VOTING	"Aye"
Amy L. Bombardieri	VOTING	"Aye"

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Deirdre A. Houston	VOTING	“Aye”
Brian C. Berryann	VOTING	“Aye”

The Resolution was thereupon declared duly adopted.

Adopted: September 10, 2025

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

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

That I have compared the annexed extract of minutes of the meeting of the Dutchess County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on September 10, 2025, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of and original insofar as the same related to the subject matters herein referred to.

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 10th day of September, 2025.

Thomas J. LeCount, Secretary

[SEAL]

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EXHIBIT A

PILOT SCHEDULE

Formula for Payments-In-Lieu-of-Taxes ("**PILOTs**"): Town of Wappinger (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Wappingers Central School District, Dutchess County and Special Districts (collectively the "**Taxing Jurisdictions**").

Section 1 - Definitions: In this PILOT Schedule, the following terms shall have the meanings specified as follows, unless the context otherwise requires:

"PILOT" shall mean the payment-in-lieu-of-taxes required hereunder to be paid by the Company to the Agency. The PILOTs are more particularly described as follows:

"Annual PILOT" shall mean the sum of the County PILOT and the Town PILOT due hereunder in a PILOT year.

"Apportioned Share of the Annual PILOT" shall mean the percentage of each Annual PILOT each Taxing Jurisdiction is entitled to receive, to be determined ratably using the ratio that the Taxing Jurisdiction's tax rate bears to the total tax rate of all of the Taxing Jurisdictions, using the tax rates from the year prior to the Taxable Status Date. The Special District PILOTs shall not be apportioned but shall be billed with the Annual PILOT invoice. The School District PILOT shall not be apportioned but shall be calculated, billed and paid separately.

"County PILOT" shall mean the Dutchess County's Apportioned Share of the Annual PILOT due on February 28 of each year.

"School District PILOT" shall mean the PILOT for the Wappingers Central School District due on October 1 of each year.

"Town PILOT" shall mean the Town of Wappinger's Apportioned Share of the Annual PILOT due on February 28 of each year.

"Special Districts PILOTs" shall mean the PILOTs for the New Hackensack Fire District, Wappinger Ambulance District and Grinnell Public Library District

"PILOT Year" shall mean the first tax year following the Taxable Status Date after the Completion Date (collectively the "**Initial PILOT Year**") and each year thereafter for a total of not more than ten (10) years in accordance with the Schedule of PILOT Payments. For example, if the Completion Date was prior to March 1, 2027, the Initial PILOT Year would include the

2027/2028 School District PILOT, the
2028 County PILOT, the
2028 Town PILOT, the
2028 New Hackensack Fire District PILOT, the
2028 Wappinger Ambulance District PILOT(s), and the
2028 Grinnell Public Library PILOT(s).

"Schedule of Exemptions and Calculation of PILOTs" – Special District PILOTs shall be equal to the full amount of taxes that would have been levied upon the Facility and Additional Facilities if the Facility and Additional Facilities were owned by the Company and the Agency had no ownership interest. For the County PILOT, the Town PILOT and the School District PILOT, the PILOT shall be equal to the full amount of taxes that would have been levied upon the Facility and Additional Facilities, up to an assessed value of $[156,636.65] if the Facility and Additional Facilities were owned by the Company and the Agency had no ownership interest. If the assessed value exceeds $[156,636.65], the County PILOT, Town PILOT and the School District PILOT shall be increased by an amount equal to the amount of taxes that would have been levied upon the Facility and Additional Facilities on that excess amount but reduced by the following exemption percentage:

PILOT Year	**Exemption Percentage**
1	90%
2	85%
3	80%
4	75%
5	70%
6	65%
7	60%
8	55%
9	50%
10	45%
thereafter	0%

"Taxable Status Date" shall mean March 1 of each year. For School District PILOTs, Taxable Status Date shall mean March 1 of the year the PILOTs are due. For County, Town and Special District PILOTs, Taxable Status Date shall mean March 1 of the year prior to the PILOTs being due.

Section 2 - Billing, Apportionment and Distribution of PILOTs

After Taxable Status Date each year the Agency shall determine the Annual PILOT, the Apportioned Share of the Annual PILOT and the School District Annual PILOT. The Agency shall send an invoice to the Company for the Annual PILOT. Once received by the Agency, the PILOTs shall be distributed to the appropriate Taxing Jurisdiction timely in accordance with law.

EXHIBIT B

EXCERPT FROM LEASE AGREEMENT

Section 5.4 Recapture of Agency Benefits.

It is understood and agreed by the parties hereto that the Agency is entering into this Lease Agreement in order to provide financial assistance to the Company for the Facility and to accomplish the public purposes of the Act. In consideration therefor, the Company hereby agrees as follows:

(i) If there shall occur a Recapture Event prior to the Completion Date or within the first (1st) or second (2nd) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, one hundred percent (100%) of the Recaptured Benefits (as defined below);

(ii) If there shall occur a Recapture Event during the third (3rd) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, ninety percent (90%) of the Recaptured Benefits;

(iii) If there shall occur a Recapture Event during the fourth (4th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, eighty percent (80%) of the Recaptured Benefits;

(iv) If there shall occur a Recapture Event during the fifth (5th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, seventy percent (70%) of the Recaptured Benefits; and

(v) If there shall occur a Recapture Event during the sixth (6th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, sixty percent (60%) of the Recaptured Benefits; and

(vi) If there shall occur a Recapture Event during the seventh (7th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, fifty percent (50%) of the Recaptured Benefits;

(viii) If there shall occur a Recapture Event during the eighth (8th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, forty percent (40%) of the Recaptured Benefits; and

(ix) If there shall occur a Recapture Event during the ninth (9th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, thirty percent (30%) of the Recaptured Benefits; and

(x) If there shall occur a Recapture Event during the tenth (10th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, twenty percent (20%) of the Recaptured Benefits; and

(xi) If there shall occur a Recapture Event during the eleventh (11th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, ten percent (10%) of the Recaptured Benefits; and

(xii) If there shall occur a Recapture Event during the twelfth (12th) year after the Completion Date or thereafter, the Company shall not be obligated to pay to the Agency, or to the State of New York, any of the Recaptured Benefits; and

(b) The term "**Recaptured Benefits**" shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency's participation in the transaction contemplated by the Lease Agreement including, but not limited to, the amount equal to 100% of:

(i) the Mortgage Recording Tax Exemption; and

(ii) Sales Tax Exemption savings realized by or for the benefit of the Company, including any savings realized by any Agent pursuant to the Lease Agreement and each Sales Tax Agent Authorization Letter issued in connection with the Facility (the "**Company Sales Tax Savings**"); and

(iii) real property tax abatements granted pursuant to Section 5.1 hereof (the "**Real Property Tax Abatements**");

which Recaptured Benefits from time to time shall upon the occurrence of a Recapture Event in accordance with the provisions of subsection (c) below and the declaration of a Recapture Event by notice from the Agency to the Company be payable directly to the Agency or the State of New York if so directed by the Agency within thirty (30) days after such notice.

(c) The term "**Recapture Event**" shall mean any of the following events:

(1) The occurrence and continuation of an Event of Default under this Lease Agreement (other than as described in clause (4) below or in subsection (d) below) which remains uncured beyond any applicable notice and/or grace period, if any, provided hereunder; or

(2) The Facility shall cease to be a "project" within the meaning of the Act, as in effect on the Closing Date, through the act or omission of the Company; or

(3) The sale of the Facility or closure of the Facility and/or departure of the Company from Dutchess County, except as due to casualty, condemnation or force majeure as provided in subsection (d) below or as provided in Section 9.3 hereof; or

(4) Failure of the Company to create or cause to be maintained at least ninety percent (90%) of the number of FTE jobs at the Facility as provided in Section 8.11 of the Lease Agreement, which failure is not reflective of the business conditions of the Company or the subtenants of the Company, including without limitation loss of major sales, revenues, distribution or other adverse business developments and/or local, national or international economic conditions, trade issues or industry wide conditions; or

(5) Any significant deviations from the Project Application Information which would constitute a significant diminution of the Company's activities in, or commitment to Dutchess County, New York; or

(6) The Company receives Sales Tax Savings in connection with the Project Work in excess of the Maximum Company Sales Tax Savings Amount; provided, however, that the foregoing shall constitute a Recapture Event with respect to such excess Sales Tax Savings only. It is further provided that failure to repay the Sales Tax Savings within thirty (30) days shall constitute a Recapture Event with respect to all Recapture Benefits.

(d) Furthermore, notwithstanding the foregoing, a Recapture Event shall not be deemed to have occurred if the Recapture Event shall have arisen as a result of (i) a "force majeure" event (as more particularly defined in Section 10.1(b) hereof), (ii) a taking or condemnation by governmental authority of all or part of the Facility, or (iii) the inability or failure of the Company after the Facility shall have been destroyed or damaged in whole or in part (such occurrence a "**Loss Event**") to rebuild, repair, restore or replace the Facility to substantially its condition prior to such Loss Event, which inability or failure shall have arisen in good faith on the part of the Company or any of its affiliates so long as the Company or any of its affiliates have diligently and in good faith using commercially reasonable efforts pursued the rebuilding, repair, restoration or replacement of the Facility or part thereof.

(e) The Company covenants and agrees to furnish the Agency with written notification (i) within sixty (60) days of the end of each Tax Year of the number of FTEs located at the Facility for such Tax Year, and (ii) within thirty (30) days of actual notice of any facts or circumstances

which would likely lead to a Recapture Event or constitute a Recapture Event hereunder. The Agency shall notify the Company of the occurrence of a Recapture Event hereunder, which notification shall set forth the terms of such Recapture Event.

(f) In the event any payment owing by the Company under this Section shall not be paid on demand by the Agency, such payment shall bear interest from the date of such demand at a rate equal to one percent (1%) plus the Prime Rate, but in no event at a rate higher than the maximum lawful prevailing rate, until the Company shall have made such payment in full, together with such accrued interest to the date of payment, to the Agency (except as otherwise specified above).

(g) The Agency shall be entitled to deduct all reasonable out of pocket expenses of the Agency, including without limitation, reasonable legal fees, incurred in connection with the recovery of all amounts due under this Section 5.4, from amounts received by the Agency pursuant to this Section 5.4.

(h) The Company acknowledges that Section 5.4 is intended to reflect the Agency's "Policy on Maintaining Performance Based Incentives (MPBI)" a copy of which is attached hereto as Exhibit G and made a part hereof, and that such policy includes the process by which the Agency will review any performance based incentive deficiencies, the Company's explanations and proposed cures thereof and exercise any remedies hereunder or waiver of same. In the event of a conflict between the provisions of Section 5.4 and the provisions set forth on Exhibit G, the provisions set forth on Exhibit G shall control.

DC ida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

Project: 13022501 POU Development **Location:** Town of Wappingers

Type of Business: Aircraft Hangers / Aviation

Agency Request

Sales Tax [X] Mortgage Tax Exemption [X] PILOT [X]

Project Description:

POU Development proposes to invest approximately $40,847,143 to construct, manage, and operate hangers facilities at the Hudson Valley Regional Airport.

Project Timeline:

Proposed date for commencement of acquisition or construction: 3rd quarter 2025

The actual or expected dates of:

Construction completion: Fall 2026

Occupancy: Fall 2026

Total Cost of Project:

Amount Private Investment

Total Project Cost $40,847,143 Private Investment: $40,847,143

Amount of other public financial assistance, grants and source: N/A

Construction Costs: $35,501,071 Benefitted Amount: $35,501,071

Company Incentives:

Amount of Sales Tax benefits:	$1,295,438
Amount of Mortgage Recording Tax exemption:	$199,129
Estimated real property tax exemption with PILOT	$638,714

Estimated amount of benefit to State & Region*:

Anticipated PILOT Tax revenue:	$319,113
Anticipated Sales Tax revenue	$302,241
Anticipated Payroll	$21,256,495
Benefit to Cost Ratio	11:1

**figures based on MRB algorithms*

Estimated Property Value Increase^

Current Assessed Value	Current Property Tax+ (2024)	Estimated New Assessed Value	Net Increase	Est. Year 1 PILOT+
$0	$0	$30,000,000	$30,000,000	$8,748

+Does not include special districts

Employment Impact

Committed total FTE jobs: ____4_____

Number of existing FTE jobs to be retained ___0___

Total Number of new FTE Jobs to be created __4__ over ___2__ years.

Average Annualized Salary of FTE jobs $_70,250_____

Estimated Hourly Wage Average and Range: $38/hr

Total Number of Construction Jobs to be created _81_

Jobs created in the Construction and Hospitality is estimated to have the following spillover impact.

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Initial	81	4
Direct	12	0.6
Indirect	4	0.2
Induced	25	0.6
Total Effect	122	5

Lightcast Impact Scenario Report 3.28.2025

Community Benefits:

- *Revitalization:* The project is consistent Dutchess County Government's plan to develop the Hudson Valley Regional Airport. The project is located on a vacant lot in the Town of Wappingers.
- *Identified Growth Area:* The project supports the Aviation industry which is priority industry for the County.
- *Investment:* The project has an estimated project cost of over $40 million.
- *Environmental Factors:* The project will be using sustainable building techniques including recycled materials and locally sourced natural building materials. The project will strive for LEED certification.
- *Employment*: While the project is estimated to create 4 direct FTEs. The project will also create approximately 81 direct construction jobs.
- Use of Local Contractor(s) and Labor: Yes___X___ 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 and PILOT:

Municipal Support__X___ PILOT ___X____ Request for UTEP Deviation _Yes

CEO Comments of Importance

The project will be built at the Hudson Valley Regional Airport. The site currently generates no tax revenue. With the completion of the project the property will generate PILOT payments for the first 10 years and then property taxes.

The applicant is requesting a deviated 10-year PILOT. The project and the deviated PILOT has the support of the local taxing jurisdictions.

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.

Scope of Work	Budget	Total Local Awarded To Date	Total Non-Local Awarded To Date	Current Waiver Request Non-Local Contracts	Future Contract Awards	Total Potential Local Contract Value
RC Anderson Direct Hard Costs						
Division 010000 General Requirements	$ 160,000				$ 160,000	$ 160,000
Division 310000 Sitework, Utilities, Paving	$ 4,198,000	$ 4,198,000				$ 4,198,000
Division 323100 Fencing & Gates: Landside	$ 162,165				$ 162,165	$ 162,165
Division 329000 Landscaping & Irrigation	$ 30,300				$ 30,300	$ 30,300
Division 030000 Concrete	$ 3,496,000	$ 3,496,000				$ 3,496,000
Division 050000 Misc. Metals	$ 5,000				$ 5,000	$ 5,000
Division 062000 Carpentry & Millwork	$ 1,277,970			$ 525,000		$ -
Division 081000 Doors & Hardware	$ 130,690				$ 130,690	$ 130,690
Division 083300 Overhead & Rollup Doors	$ 167,961				$ 167,961	$ 167,961
Division 088000 Glass & Glazing	$ 759,414				$ 759,414	$ 759,414
Division 096700 Polished and Epoxy Flooring	$ 424,536			$ 425,536		$ -
Division 093000 Flooring & Wall Tile	$ 176,098				$ 176,098	$ 176,098
Division 099000 Painting & Caulking	$ 207,613				$ 207,613	$ 207,613
Division 101400 Signage	$ 186,834				$ 186,834	$ 186,834
Division Lockers	$ -				$ -	$ -
Division 104400 Fire Extinguishers & Cabinets	$ 7,100				$ 7,100	$ 7,100
Division 102800 Bath & Toilet Accessories	$ 60,189				$ 60,189	$ 60,189
Division Bollard Covers	$ -					$ -
Division Window Treatment	$ -					$ -
Division 133419 Special Construction PEMB	$ 2,670,000		$ 2,670,000			$ -
Division Canopies	$ -					$ -
Division 210000 Fire Suppression	$ 320,000			$ 290,000		$ -
Division 220000 Plumbing	$ 878,000		$ 737,000			$ -
Division 230000 Mechanical (HVAC) Systems	$ 806,001				$ 806,001	$ 806,001
Division 260000 Electrical	$ 2,657,000	$ 2,657,000				$ 2,657,000
	$ 18,780,871	**$ 10,351,000**	**$ 3,407,000**	**$ 1,240,536**	**$ 2,859,365**	**$ 13,210,365**
Owner Direct Hard Costs						
PEMB Furnishing (FURNISH ONLY)	N/A		N/A			$ -
IMP Furnish Wall	N/A		N/A			$ -
IMP Furnish Wall	N/A		N/A			$ -
ULE Lighting Package (FURNISH ONLY)	N/A		N/A			$ -
Hangar Doors Furnish & Installation	$ 700,000		$ 700,000			$ -
	$ 700,000	**$ -**	**$ 700,000**	**$ -**	**$ -**	**$ -**
TOTAL	**$ 19,480,871**	**$ 10,351,000**	**$ 4,107,000**	**$ 1,240,536**	**$ 2,859,365**	**$ 13,210,365**

1. This table does not include indirect hard costs (General Conditions, Insurance, Bonds, etc
2. This table does not include project soft costs (design & entitlements)
3. This table is based off of known information as of 7.9.26

695 Route 46, Suite 205
Fairfield, NJ 07004
973-227-8100

Cover Letter: 6/29/2026

Robin Mack
Think Dutchess Alliance for Business
3 Neptune Road
Poughkeepsie, NY 12601
robin@thinkdutchess.com

Reference: Aircraft Hanger Development – 70 Citation Drive – Wappingers Falls, NY

Subject: IDA-Labor Policy Exemption Request
Trade/Subcontractor: Carpentry and Drywall
Installed by: **Phillips Construction, Inc.**

Ms. Mack,

Please review the exemption request for the above referenced trade contractor based on the following allowable exemption reason:

- Exemption Reason: Significant cost differentials

Phillips Construction, Inc. has provided pricing as a non-local contractor for the project. Local pricing was obtained from Andersen Interior Contracting who would utilize local union labor and was unable to be lowered to meet the 10% cost differential based on the total project cost. A local contractor, Paramount Building Construction, provided pricing as part of our initial outreach but did not provide a bid on our best and final award package. In addition, another local bidder, Tristate Drywall declined to price this project via email response.

It is for the above reasons that we respectfully request an exemption to the IDA Local Labor Policy for this trades work on the project.

Should you have any questions, please feel free to contact me.

Sincerely,

Matthew Tracy
Senior Project Manager
RC Andersen

CC: David Sherman – Sky Harbour

Sky Harbour

Prepared by RC Andersen

Project Location: 70 Citation Drive Wappingers Falls, NY

22 00 00: Plumbing

Base Bid

LINE ITEMS	Phillips Construction, Inc.	Andersen Interior Contracting	Paramount Building Construction Inc.	Tristate Drywall
	$525,082	**$1,386,200**	***Non Response for Requested Award Revision**	**Declined to Bid**
	Unit / Unit Cost / Total Cost	Unit / Unit Cost / Total Cost	Unit / Unit Cost / Total Cost	Unit / Unit Cost / Total Cost
		$1,386,200		
Drywall/ Carpentry	**$451,998**	**$1,321,200**	**$1,460,915**	
HM Frames, Doors Hardware	**$31,600**	**$36,000**		
Acoustic Ceilings	**$41,484**	**$29,000**		
Drywall				
- Metal Framing, Gypsum board, tape/ spackle	included	included	included	
- Sound attenuation insulation within Partitions	included	included	included	
- Interior batt insulation, interior sheathing as per Exhibit	included	included	included	
- Box headers as per 3/A-10	included	included	included	
- In wall Blocking	included	included	included	
- Furnish and install doors/ frames/ hardware	included	included	included	
- Install accessories/ fire extinguishers	included	included	included	
- Drywall and acoustic tile ceilings	included	included	included	
- Batt insulation above ceilings	included	included	included	
- Fire Stopping	included	included	included	
- Millwork (Excluded)	Excluded	Excluded	Excluded	
- Tvek Barrier at Exterior (Excluded)	Excluded	Excluded	Excluded	
- PEMB Shaft Wall A-314: CL 1, 14, 17, 30	Excluded	Excluded	Excluded	
- Insulation at PEMB Assembly (Excluded)	Excluded	Excluded	Excluded	
- Whitebox addendum update included?	included	included	-$400,000	
GENERAL				
Labor Type	Non-Union	Union	Non-union	Union
Tax	YES	YES	$ 36,770	
Mobilization	YES	YES	YES	
Submittals	YES	YES	YES	
NY Insurance	YES	YES	YES	
Closeout Docs	YES	YES	YES	
Equipment and Lifts	YES	YES		
Base Bid Total	**$525,082**	**$1,386,200**	**$1,097,685**	**$0**

Phillips Construction, Inc.

423 Manchester Way
Wyckoff, NJ 07481
201-445-2656
gary.phillips@phillipsincc.com

Estimate

Date	Estimate #
6/4/2026	9105

Name / Address
RC Andersen, LLC 695 US Route 46 Suite 205 Fairfield, NJ 07004

Project
25058 - RC - S...

Description	Qty	Rate	Total
Sky Harbour - Poughkeepsie NY Hangars 263 New Hackensack Road Wappingers falls, NY 12590			
To supply and install all labor, material, equipment and supervision necessary to complete the following work per drawings by MH Architecture dated 5/15/26.			
To receive and install exterior man doors, frames and hardware (19)		13,300.00	13,300.00
SUBTOTAL			13,300.00
GSE:			
Walls: Exterior walls/Shaft walls/Interior walls/Furred		102,740.00	102,740.00
** No vapor/moisture barriers and no exterior finishes			
Blocking		2,000.00	2,000.00
To receive and install only doors, frames and hardware (6)		1,500.00	1,500.00
To receive and install bath accessories		750.00	750.00
Ceilings: Gyp board		1,980.00	1,980.00
Ceilings: ACT - 2' x 2' Armstrong Ultima and 9/16		8,976.00	8,976.00
To install R-19 Batt insulation above ceiling			
***ALTERNATE: To furnish and install Tyvek Barrier on Exterior Metal Framed Walls $ 3,200.00			
		Total	

Phillips Construction, Inc.

423 Manchester Way
Wyckoff, NJ 07481
201-445-2656
gary.phillips@phillipsincc.com

Estimate

Date	Estimate #
6/4/2026	9105

Name / Address
RC Andersen, LLC 695 US Route 46 Suite 205 Fairfield, NJ 07004

Project
25058 - RC - S...

Description	Qty	Rate	Total
SUBTOTAL			117,946.00
HANGAR #1:			
Walls: Exterior walls/Shaft walls/Interior walls/Furred		170,904.00	170,904.00
** No vapor/moisture barriers and no exterior finishes			
Blocking		4,500.00	4,500.00
To receive and install only doors, frames and hardware (13)		3,500.00	3,500.00
To receive and install bath accessories		2,750.00	2,750.00
Ceilings: Gyp board		15,264.00	15,264.00
***ALTERNATE: To furnish and install Tyvek Barrier on Exterior Metal Framed Walls $ 12,150.00			
SUBTOTAL			196,918.00
HANGAR #2:			
SAME AS HANGAR #1		196,918.00	196,918.00
***ALTERNATE: To furnish and install Tyvek Barrier on Exterior Metal Framed Walls $ 12,150.00			
SUBTOTAL			196,918.00
**ALTERNATE: To furnish, deliver and install the following			

	Total

Phillips Construction, Inc.

423 Manchester Way
Wyckoff, NJ 07481
201-445-2656
gary.phillips@phillipsincc.com

Estimate

Date	Estimate #
6/4/2026	9105

Name / Address
RC Andersen, LLC 695 US Route 46 Suite 205 Fairfield, NJ 07004

Project
25058 - RC - S...

Description	Qty	Rate	Total
Millwork: $ 253,448.00 Lounge (Kitchenette) (2)- P-lam base cabinet (3) drawer, ADA sink base cabinet, (1) trash pullout base cabinet, wall cabinet, refrigerator panels, and wall panel. Solid surface quartz countertop and 18" backsplashes. NIC: Sink Lounge (Island) (2)- P-lam base cabinet (6) drawer, finished back panels. Solid surface quartz countertop with waterfall panels. Lounge (South) (2)- P-lam base cabinet, wall paneling. Solid surface quartz countertop. Restroom (2)- P-lam ADA sink base cabinet. Solid surface quartz countertop and 4" backsplashes. NIC: Sink Bathroom (2)- P-lam ADA sink base cabinet. Solid surface quartz countertop and 4" backsplashes. NIC: Sink Restroom (2)- P-lam ADA sink base cabinet. Solid surface quartz countertop and 4" backsplashes. NIC: Sink Operations Office (Kitchenette)- P-lam base cabinet (3) drawer, ADA sink base cabinet, wall cabinet, and light rail. Solid surface			
		Total	

Phillips Construction, Inc.

423 Manchester Way
Wyckoff, NJ 07481
201-445-2656
gary.phillips@phillipsincc.com

Estimate

Date	Estimate #
6/4/2026	9105

Name / Address
RC Andersen, LLC 695 US Route 46 Suite 205 Fairfield, NJ 07004

Project
25058 - RC - S...

Description	Qty	Rate	Total
quartz countertop and 4” backsplashes. NIC: Sink Operations Office (Workstation)- Solid surface quartz 27” deep work surface with 4” backsplashes and support brackets. Restroom (North)- P-lam ADA sink base cabinet. Solid surface quartz countertop and 4” backsplashes. NIC: Sink Restroom (South)- P-lam tall cabinet.			
		Total	

Phillips Construction, Inc.

423 Manchester Way
Wyckoff, NJ 07481
201-445-2656
gary.phillips@phillipsincc.com

Estimate

Date	Estimate #
6/4/2026	9105

Name / Address
RC Andersen, LLC 695 US Route 46 Suite 205 Fairfield, NJ 07004

Project
25058 - RC - S...

Description	Qty	Rate	Total
ALTERNATES: 1. To line PEMB with Shaft Wall per A-315 on Column Lines 1, 14, 17, 30 - $ 307,248.00 2. To furnish and install Tyvek Barrier on Shaft Wall (PEMB above) $ 50,000.00 3. To install R-21 Batt Insulation on Exterior PEMB walls - $ 176,760.00 Exclusions: Will follow up with Millwork Mapes Canopies Engineering Furnish of Toilet Accessories Bonding Furnish & Install Toilet Partitions Clean-Up Exterior Finishes Demolition Permits Unistrut Overtime/Premium Time (T&M Basis) Furnish D/F/HW			
		Total	

Phillips Construction, Inc.

423 Manchester Way
Wyckoff, NJ 07481
201-445-2656
gary.phillips@phillipsincc.com

Estimate

Date	Estimate #
6/4/2026	9105

Name / Address
RC Andersen, LLC 695 US Route 46 Suite 205 Fairfield, NJ 07004

Project
25058 - RC - S...

Description	Qty	Rate	Total
No Containers/Sea Box			
Air/Vapor/Moisture Barriers			
Insulated Metal Panels			
Rigid Insulation			
Woodworks Ceiling			
Overhead Coiling Doors			
Security Clearances/Badging/Background Checks			
Temporary Protection/OSHA			
Off-Hour Work			
Any & All Airside Work			
Work Within Secured Airfield Zones			
Hangar Door System			
Specialized Aviation Equipment			
Temporary Enclosures			
Scaffolding			
		Total	$525,082.00

ANDERSEN INTERIOR CONTRACTING, INC.
368 PASSAIC AVENUE • P.O. BOX 10362 • FAIRFIELD, NJ 07004
TEL 973-244-1900 • FAX 973-244-0595 • WWW.ANDERSENCOMPANIES.COM

THE ANDERSEN COMPANIES
ANDERSEN INTERIOR CONTRACTING
CORPORATE WOODWORKING

PROPOSAL

DATE: June 5, 2026

SUBJECT TO STANDARD ANDERSEN TERMS AND CONDITIONS

TO: Sean Armstrong
RC Andersen
695 Route 46, Suite 205
Fairfield, NJ 07004

RE: Sky Harbour Hangers
263 New Hackensack Road
Wappingers Falls, NY 12590
Drawings: Dated 5/15/2026
Estimate #: 25540 Rev 4

We propose to perform the following work at the above referenced project:

Install Only HM Frames, Doors & Hardware	$ 36,000.00
Drywall/Carpentry	$1,321,200.00
Acoustical Ceilings	$ 19,500.00
TOTAL PRICE	**$1,376,700.00**

ALTERNATES:

Alternate 1A – **ADD $774,700.00**
Furnish & Install 6" shaftwall framing assembly on exterior of PEMB as per details on drawing A-315.1. Column lines 1 and 30 to receive 2 layers of dens-glass, Column Line 15 to receive 1 layer of dens-glass and Column Line 16 to receive receive 3 layers of dens-glass. EXCLUDES AREAS WHERE WALL IS FRAMED WITH METAL STUD ABOVE COLUMN LINE D

Alternate 1B – **ADD $103,700.00**
Furnish & Install 3rd Layer of of dens-glass at Column Lines 1 and 30

QUALIFICATIONS:

1. Temporary heat, light, power, ventilation, protection, mechanical hoisting facilities and cleaning will be provided at no cost to Andersen Interior Contracting, Inc.
2. Adequate access as required by Andersen Interior Contracting, Inc. to each floor from exterior of building for distribution of bulk materials will be provided at no cost to Andersen Interior Contracting, Inc.
3. All work to be performed during regular working hours.
4. All work is union labor.
5. **Due to the volatility that may occur with material prices due to the proposed tariffs we must retain the right to adjust our contract for any material increases above 10% as well as to inform you of any projected supply chain delays. We would anticipate the contract sum to be equitably adjusted by the amount above the baseline price.**

DRYWALL/CARPENTRY – SCOPE OF WORK:

1. Metal framing, gypsum board, tape and spackle for partitions, ceilings, fascias and soffits as indicated on drawings.
2. Sound attenuation insulation within partitions where noted.
3. Metal in-wall blocking for cabinets.
4. Installation of hollow metal bucks (supplied by others) in metal stud partitions.
5. Installation of pre-fit and pre-machined, pre-undercut doors with hardware (supplied by others) in hollow metal bucks.
6. Installation only of 20 fire extinguishers.
7. Installation only of up to 11 access panels.
8. Installation only of toilet accessories.
9. No sheathing was figured behind the corrugated metal wall panes where 6” cold formed framing is being built.
10. Drywall ceilings were figured to be direct hung from structure above. Pencil rod and cold rolled channel were not figured.
11. Furnish and install batt insulation above ceilings.
12. Furnish and install insulation in metal studs only. All other insulation is excluded.

ACOUSTICAL CEILINGS – SCOPE OF WORK:

1. Furnish and install new Armstrong Ultima 1942 2x2 tegular tile in Suprafine 9/16” grid.
2. Furnish and install batt insulation above ceilings.
3. All ceilings were figured to be direct hung from structure above. Pencil rod and cold rolled channel were not figured.

EXCLUSIONS:

1. Temporary protection and partitions.
2. Demolition or removals
3. Overtime
4. Engineering, shop drawings or BIM
5. Work with existing walls
6. Wire support of light fixtures or mechanical devices
7. Patch and/or repair ceilings opened or damaged by other trades
8. Work on other floors or in other areas
9. Blocking for furniture
10. Glass doors, aluminum frames, related hardware
11. Doors and hardware in demountable partitions
12. Keying and permanent cores, signs, and Medeco cores

EXCLUSIONS (Continued):

13. Mock-ups
14. Millwork
15. Topping off of existing walls including exterior walls
16. Labeling walls for smoke/fire barriers
17. Top and bottom of wall firestopping not drywall
18. Receive and install owner supplied accessories
19. Wall brackets for monitors and televisions
20. Tape and spackle of diffusers and light fixtures
21. Clean up
22. Dumpsters
23. Payment or performance bond
24. Liquidated damages
25. Consequential damages
26. Expansion joint systems WSE-300
27. Roof blocking
28. Plywood sub-tops and counter supports
29. Insulation at corrugated walls where metal studs are not located
30. Corner guards and end guards
31. Lockers and benches
32. Continous perimeter sealant at PEMB
33. Urethane sealant
34. Installation of shades

Submitted by: *Andrew Dempsey*

This proposal, if accepted by you within 30 days, and approved by an officer of our company shall constitute a contract

ACCEPTANCE BY PURCHASER	**APPROVAL**
Company Name _____	**Andersen Interior Contracting, Inc.**
Officer Signature _____	**Officer Signature** _____
Officer Name & Title _____	**Officer Name & Title** _____
Date of Acceptance _____	**Date of Approval** _____

NYS MBE/DBE
28 Windsor Hwy
New Windsor, NY 12550
(845) 569-0970

Project: Sky Harbour, Hudson Valley Regional Airport North Site

Project No: 2025-24

Client: Estimating

Job Site: 236 New Hackensack Road, Wappingers Falls, NY 12590

CONTRACT

Contractor agrees to provide all the necessary labor, equipment, and materials in accordance with the attached Project Details, Drawings and additional specifications as may be needed and initiated by the parties and attached hereto. Any alteration or deviation from the attached details, specifications and drawings which involve additional costs, will become an extra charge over and above the cost of the original agreement. All additional work shall be paid in full at the completion of such work. Contractor cannot be held responsible for any delays that may occur caused by weather or by outside sources by which the contractor has no control over.

SCOPE OF WORK: *Sky Harbour Hudson Valley Regional Airport North Site (Drawings dated 8/19/25) & Bid Clarification 3*

FURNISH & INSTALL

1. Furnish & install interior Metal Framing. (20GA 30mil)
2. Furnish & install CFMF (16GA)
   - CL-A from CL-4 – CL-12 Hangar 1
   - CL-A from CL-19 – CL-27 Hangar 2
3. Furnish Engineered Shop Drawings for CFMF. (Listed in Line 2)
4. Furnish & install 4" USG "CH" Shaft wall (20ga 33mil)
   USG "CH" shaft wall studs & j-runner track only available in (20ga 33mil).
   Manufactured outside of the USA, subject to tariffs announced after date of proposal.
5. Furnish & install in-wall blocking in new framing as required for:
   - Millwork
   - Toilet Accessories
6. Furnish & install in-wall SAFB batt insulation in newly metal framed walls as required. (Excludes above Ceiling)
7. Furnish & install 5/8" MR Gyp Board on newly metal framed walls as required.
8. Furnish & install 5/8" Type X Drywall on newly metal framed walls as required.
9. Furnish & install 5/8" Cement Board on newly metal framed walls as required.
10. Furnish & install 5/8" Glass-Mat Sheathing on the exterior of newly metal framed exterior walls as required.
11. Furnish & install 1" Gyp Board in newly framed 4" "CH" Shaftwalls as required.
12. Tape and finish newly installed Sheetrock (level 4 finish/Fire Tape) as required.
13. Furnish & install Acoustical/Fire Caulking on Top & Bottom of walls as required.
14. Furnish & install Drywall grid framed ceilings (Direct hung w/12ga wire from deck above).
15. Furnish & install new ACT ceilings (Direct hung w/12ga wire from deck above).
    - **ACT-1**-Tile-Armstrong #1912 (2'x2') ceiling tile or equal. **(White)**
    - **ACT-1**-Grid-Armstrong Suprafine 9/16" Exposed Tee Suspension System or Equal. **(White)**
    - **ACT-2**-Tile-Armstrong Woodworks Vector (2'x2') ceiling tile or equal. **(Redux Wood Wheat/Unperforated)**
    - **ACT-2**-Trim-Armstrong Woodworks 4" Perimeter Trim or equal. **(Redux Wood Wheat)**
    - **ACT-2**-Grid-Armstrong Prelude XL 15/16" or Equal. **(Black)**

INSTALL ONLY

1. Install all HM Door Frames & HM & WD Doors (with hardware prep), and Hardware. (Material by Others).
   *NOTE: Electrified hardware installation NOT included.

2. Install Only Toilet Accessories. (Material by Others)

3. Install Only FEC. (Material by Others)

4. Install Only Motorized Shades (Material by Others)

PAYMENTS

The Owner agrees to pay any and all payments according to the payment schedule (30 days progress payments). Should said payment(s) not be made, or if satisfactory arrangements for payment have not been made, the Contractor reserves the right to stop all work until such time as payment is rendered or satisfactory payment arrangements have been made.
Total for Capital Improvement taxes of this project to be added to the line below: **$36,770.00**
(Taxes only for the base bid, any selected Add Alternates will be additional)

Total price for the completion of this project: **$1,460,915.00**

ADD ALTERNATE

1. The Bond Fee (If required) will be 2% of the total price listed above. The Bond Fee will also be added to any additional work above the contract price.

2. Install Only Millwork. (Material by Others)
   *NOTE: No Seaming of Solid Surface Counter Tops.

   Install Only Wall & Ceiling Panels PL-2, PL-3, & PL-4 Suite F Rm #210.
   (Material by Others)

   Install Only 6 Lockers & Locker Base (Material by Others)

   Total price for the completion of this Add Alternate: **$80,785.00**
   Capital Improvement Tax Not Included

3. Exterior Wall Framing @ CL 1,14,17, & 30 (6" 20ga 33mil "CH" Shaft wall)
   USG "CH" Shaft wall studs & j-runner track only available in (20ga 33mil). Manufactured outside of the USA, subject to tariffs announced after date of proposal.
   (Excludes Engineering, Exterior Corrugated Metal Panel Cladding, & Vapor Retarder).

   Total price for the completion of this Add Alternate: **$526,115.00**
   Capital Improvement Tax Not Included

QUALIFICATIONS

1. Temporary heat, light, power, ventilation, protection, mechanical hosting facilities and cleaning will be provided at no cost to PBC.
2. Adequate access as required by PBC to each floor from the exterior of the building for distribution of bulk material will be provided at no cost to PBC.
3. Please note this proposal is based on the availability of sufficient qualified manpower, material at time of award.
4. All work during regular working hours
5. Contract to be mutually agreed upon.
6. Schedule to be mutually agreed upon.
7. 5mil Insurance umbrella included.
8. Proposal is subject to material escalations announced after date of proposal for all materials.
9. Multiple manufacturers are to be accepted due to the allocation/ availability of materials.
10. All materials manufactured outside the USA are subject to tariffs at additional cost.
11. This proposal remains valid for a period of 30 days from the above date. Acceptance of the bid price is expressly contingent upon subcontract terms and conditions acceptable to the subcontractor.

EXCLUSIONS

1. Any Seaming of SS countertops
2. Insulated Metal Panels
3. Metal Siding & Trim
4. Temp Facilities
5. Any Cutting & Patchwork to Existing Walls, Soffits, and Ceilings
6. Level 5 Drywall Finish
7. Aluminum Storefronts (Windows/Doors)
8. Weather Barrier/ Vapor Barrier/Air Barrier
9. Waterproofing
10. Painting/Caulking/Staining
11. Temp Protection, Dust Control, Walls, & Utilities
12. Wallcovering
13. Manufactured Canopies
14. Glazing
15. Metal Decking
16. Roof Work/Parapet Blocking/ Curb Blocking (Unless specifically called out above).
17. Welding
18. Above Ceiling Insulation (Not Specified on Drawings)
19. Any Spray Insulation
20. Rigid & Semi-Rigid Insulation
21. Temp/Weather Protection
22. Access Doors (Walls, Floors, Ceilings, etc.)
23. MEP Work
24. MEP Penetration Sealant
25. Electrified Door Hardware
26. Dumpsters
27. Weather-Related Delays
28. Sales Tax. (Unless specifically included above).

29. BIM. (Unless specifically called out above).
30. Security
31. Bonds
32. Overtime, Shift Differential Pay
33. LEED Requirements
34. Anything not listed

SIGNATURE

Acceptance of basic construction contract per building plans.
The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.
Approved By: _____ Date: _____

Matthew Tracy

From: Kyle Rosser
Sent: Friday, June 26, 2026 10:25 AM
To: rrivera@tristatedrywall.net
Cc: Sean Armstrong; Matthew Tracy
Subject: Re: SkyHarbour Poughkeepsie - Office Redesign Pricing

Thanks for letting us know.

Kyle Rosser
Senior Project Manager | **RC Andersen**
(O) 973.227.8100 | (M) 973.768.2124
kyle.rosser@rcandersen.com | www.rcandersen.com

From: rrivera@tristatedrywall.net <rrivera@tristatedrywall.net>
Sent: Friday, 26 June 2026 08:59:14
To: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Cc: Sean Armstrong <Sean.Armstrong@rcandersen.com>
Subject: RE: SkyHarbour Poughkeepsie - Office Redesign Pricing

EXTERNAL EMAIL

Good morning Kyle- just wanted to reach out and thank you for thinking of us, however with it being open shop and us not being able to get a differential we will not be able to be competitive enough- please keep us in mind for future project and have a good weekend.

Rebecca Rivera
Tri-State Drywall & Acoustical, Inc.
183 Jersey Avenue
Port Jervis, NY 12771
Phone: 845.856.8400 ext.15
Fax: 845.856.8300

From: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Sent: Tuesday, June 23, 2026 8:45 AM
To: rrivera@tristatedrywall.net
Cc: Sean Armstrong <Sean.Armstrong@rcandersen.com>
Subject: RE: SkyHarbour Poughkeepsie - Office Redesign Pricing

Good Morning,

Yes, this is our project. They are going after a local labor agreement on this one so it will be very similar to the 700 South Street project in Newburgh you priced for me awhile back. Looking at an August start and finish in January for carpentry scope. If a local bidder can get to the price differential they have a good chance at winning the project.

Kyle Rosser

Senior Project Manager | **RC Andersen**
695 Route 46, Suite 205, Fairfield, NJ 07004
O: 973.227.8100 | C: 973.768.2124
kyle.rosser@rcandersen.com | www.rcandersen.com

From: rrivera@tristatedrywall.net <rrivera@tristatedrywall.net>
Sent: Tuesday, June 23, 2026 7:45 AM
To: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Cc: Sean Armstrong <Sean.Armstrong@rcandersen.com>
Subject: RE: SkyHarbour Poughkeepsie - Office Redesign Pricing

EXTERNAL EMAIL

Good morning Kyle.
Ok SkyHarbour project- I recall this a few months back- I think it was out to bid and open shop…. is it your project now? Did it remain open shop? What does the schedule look like for start & finish?

Rebecca Rivera
Tri-State Drywall & Acoustical, Inc.
183 Jersey Avenue
Port Jervis, NY 12771
Phone: 845.856.8400 ext.15
Fax: 845.856.8300

From: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Sent: Thursday, June 18, 2026 11:38 AM
To: rrivera@tristatedrywall.net; Charlotte VanHorn (cvanhorn@tristatedrywall.net) <cvanhorn@tristatedrywall.net>
Cc: Sean Armstrong <Sean.Armstrong@rcandersen.com>
Subject: FW: SkyHarbour Poughkeepsie - Office Redesign Pricing

Good Morning,

Are you interested in providing pricing for this project?

Thanks

Kyle Rosser
Senior Project Manager | **RC Andersen**
695 Route 46, Suite 205, Fairfield, NJ 07004
O: 973.227.8100 | C: 973.768.2124
kyle.rosser@rcandersen.com | www.rcandersen.com

From: Sean Armstrong
Sent: Thursday, May 28, 2026 11:24 AM
Cc: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Subject: RE: SkyHarbour Poughkeepsie - Office Redesign Pricing

https://www.dropbox.com/scl/fo/7tjgg7bdjp9a33n4zhfyd/AHHv3ecM6Ymy5hNniLOqwUI?rlkey=va7nzbuovrrtdt62ekxdzpbon&st=4ksii0dm&dl=0

Sorry to anyone who may be receiving this email twice, but the file size was too large to send to some of the recipients, so I will be sending this again.

Good morning,

My name is Sean Armstrong, and I work for RC Andersen, an industrial building general contractor. We are currently working on a project for SkyHarbour at Hudson Valley Regional Airport in Poughkeepsie involving the construction of two airplane hangars with an attached office suite. Construction activities are already underway.

If you have received this email, your company has been shortlisted as one of the 2–3 subcontractors we are considering for this scope of work.

The design team has recently revised the office area, and we are requesting updated estimates based on the attached drawing sets. Ideally, we are seeking your best and final pricing for the project. The attached files within the dropbox link below contain the most current drawing revisions available.

If you are not the appropriate estimator or contact for this scope within your company, please forward this email to the appropriate representative.

Please also note that this project will be performed under open shop labor conditions. However, the owner is currently exploring the possibility of implementing a local labor policy. If your company or workforce is not based within Rockland, Westchester, Putnam, Dutchess, Ulster, or Sullivan County, please provide an alternate price reflecting the cost impact of utilizing local labor.

If you have any questions or require additional information, please feel free to reach out to myself or the project manager, Kyle Rosser, who is CC'ed on this email and we will be happy to assist.

Thank you, and I look forward to hearing from you soon.

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Sorry to anyone who may be receiving this email twice, but the file size was too large to send to some of the recipients, so I will be sending this again.

Sean Armstrong
Project Engineer | **RC Andersen**
(O) 973.227.8100 | (M) 973.897.2562
695 Route 46, Suite 205, Fairfield, NJ 07004
sean.armstrong@rcandersen.com | www.rcandersen.com

From: Sean Armstrong
Sent: Thursday, May 28, 2026 11:17 AM
Cc: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Subject: SkyHarbour Poughkeepsie - Office Redesign Pricing

Good morning,

My name is Sean Armstrong, and I work for RC Andersen, an industrial building general contractor. We are currently working on a project for SkyHarbour at Hudson Valley Regional Airport in Poughkeepsie involving the construction of two airplane hangars with an attached office suite. Construction activities are already underway.

If you have received this email, your company has been shortlisted as one of the 2–3 subcontractors we are considering for this scope of work.

The design team has recently revised the office area, and we are requesting updated estimates based on the attached drawing sets. Ideally, we are seeking your best and final pricing for the project. The attached files contain the most current drawing revisions available.

If you are not the appropriate estimator or contact for this scope within your company, please forward this email to the appropriate representative.

Please also note that this project will be performed under open shop labor conditions. However, the owner is currently exploring the possibility of implementing a local labor policy. If your company or workforce is not based within Rockland, Westchester, Putnam, Dutchess, Ulster, or Sullivan County, please provide an alternate price reflecting the cost impact of utilizing local labor.

If you have any questions or require additional information, please feel free to reach out to myself or the project manager, Kyle Rosser, who is CC'ed on this email and we will be happy to assist.

Thank you, and I look forward to hearing from you soon.

Sean Armstrong
Project Engineer | **RC Andersen**
(O) 973.227.8100 | (M) 973.897.2562
695 Route 46, Suite 205, Fairfield, NJ 07004
sean.armstrong@rcandersen.com | www.rcandersen.com

Kyle Rosser

From: Kyle Rosser
Sent: Tuesday, May 19, 2026 4:42 PM
To: Todd Diorio
Cc: Sean Armstrong; David Sherman
Subject: Hudson Valley Regional Airport - Local Trade Contacts

Hi Todd,

I missed you yesterday at the Orange County Partnership golf outing but looking forward to another great project in the Hudson Valley at the Dutchess County Airport. Wanted to see if you had any local companies for the following scope of work that I could reach out to:

- Carpentry – I have Tri State and PBC. Any non union companies you could recommend?
- Flooring – 3 coat epoxy floor system which is important for the client. I am checking with Easi Caulking but anyone else you could recommend?
- Painting – I have TEC protective coatings who we have worked with in the past but any other recommendations?
- Fire Sprinkler – Any non union companies you could recommend?

Thanks

Kyle Rosser
Senior Project Manager | **RC Andersen**
695 Route 46, Suite 205, Fairfield, NJ 07004
O: 973.227.8100 | C: 973.768.2124
kyle.rosser@rcandersen.com | www.rcandersen.com

695 Route 46, Suite 205
Fairfield, NJ 07004
973-227-8100

Cover Letter: 6/25/2026

Robin Mack
Think Dutchess Alliance for Business
3 Neptune Road
Poughkeepsie, NY 12601
robin@thinkdutchess.com

Reference: Aircraft Hanger Development – 70 Citation Drive – Wappingers Falls, NY

Subject: IDA-Labor Policy Exemption Request
Trade/Subcontractor: Aircraft Hanger Epoxy Flooring
Installed by: **Industrial Concrete Services or Industrial Applications**

Ms. Mack,

Please review the exemption request for the above referenced trade contractor based on the following allowable exemption reason:

- Exemption Reason: Significant cost differentials and specialized construction

Industrial Concrete Services has provided pricing for the project as a traveling, non-local contractor. They are a licensed applicator of the specified product and have performed work across the country pertaining to aircraft hangers. We are also awaiting pricing from another traveling, non-local contractor (Industrial Applications), who is a licensed applicator of the specified product and performs the work consistently across the country whose pricing we expect to be in line with Industrial Concrete Services. In addition, the local contractor pricing was unable to be lowered to meet the 10% cost differential based on the total project cost.

It is for the above reasons that we respectfully request an exemption to the IDA Local Labor Policy for this trades work on the project.

Should you have any questions, please feel free to contact me.

Sincerely,

Kyle Rosser
Senior Project Manager
RC Andersen

CC: David Sherman – Sky Harbour

Industrial Concrete Services

www.icscoatings.com
P.O. Box 636
87 Industrial Park Road
Saco, ME 04072

T 207-856-5000
F 207-856-0085

October 14, 2025

Colin Warnick
RC Andersen Construction
695 Route 46, Suite 205
Fairfield, NJ 07004

Colin.Warnick@RCandersen.com

RE: Sky Harbour New Hangars- 263 New Hackensack Rd, Wappinger Falls, NY - Sika Hangar Flooring system

Industrial Concrete Services, Inc. proposes to furnish labor, material, equipment and the necessary supervision for proper and complete performance for the following work:

Preparation and application of coating or polishing materials to concrete

Products To Be Applied:

- **Epoxy joint Filler**
- **Consolideck lithium and guard**
- **SIKA epoxy 264, urethane 315, and moisture primer 1620**

This Job Based On:

- Wide Open Areas
- Weekday & Weekend work on straight time during **(3)** mobilization consisting of 10-14 days consecutive days, per hangar
    - Additional mobilizations @ $3,850 or determined agreement between both parties
- ICS applies floors of varying texture. We have done our best to educate customer on levels of slip resistance, and have provided flooring samples upon request. All floors are slippery when wet, to some degree, and more slip resistant flooring options are available upon request
- Unless we quote it, we will not patch all holes with any flooring system.
- We can only reach about 1" to the edge with grinders on polished floors. Existing flooring will show
- The customer will take responsibility and costs associated with moisture testing and coring of concrete floor if both partied determine a need to do so.
- **Maintenance of Floor:** Use soft bristle brushes on floor scrubber or sweeper.

Industrial Concrete Services

Scope of Work:

1. **Shot Blast Floor**
2. **Fill in joints**
3. **Make any floor repairs**
4. **Apply Sika 1620 moisture primer at 16 mils DFT**
5. **Screen and wash floor**
6. **Apply Sika 264 epoxy at 24 mils DFT**
7. **Screen and wash floor**
8. **Apply sika 315 urethane at 3 mils, add non-skid oxide and glass beads**

Pricing: **Hangar 1**

Product / Process	Sq. / Lineal Footage	Cost		Total	
FL-01 Gloss Polish	4,829	$	3.33	$	16,080.57
FL-02 SIKA 3 coat Hangar system	34,856	$	4.59	$	159,989.04
				$	-
Cut and fill joints	5,952	$	3.00	$	17,856.00
CT Sales Tax	-	$	0.0635	$	12,314.28
Total				$	206,239.89

Pricing: **Hangar 2**

Product / Process	Sq. / Lineal Footage	Cost		Total	
FL-01 Gloss Polish	4,711	$	3.33	$	15,687.63
FL-02 SIKA 3 coat Hangar system	34,903	$	4.59	$	160,204.77
				$	-
Cut and fill joints	5,942	$	3.00	$	17,826.00
CT Sales Tax	-	$	0.0635	$	12,301.12
Total				$	206,019.52

Industrial Concrete Services

Pricing: **Connector**

Product / Process	Sq. / Lineal Footage	Cost	Total
FL-01 Gloss Polish	3,054	$ 3.33	$ 10,169.82
			$ -
			$ -
Cut and fill joints	458	$ 3.00	$ 1,374.00
CT Sales Tax	-	$ 0.0635	$ 733.03
Total			$ 12,276.85

Final pricing will be based on the actual square footage performed or if additional remediation needed to be performed or change in project.

TERMS:

ICS shall be paid 1/3 of the contract amount in advance at least seven (7) days before the commencement of ICS's scope of work pursuant to this agreement. The balance is due upon 100 % completion of ICS's installation. Due upon completion, unless otherwise noted. Unpaid balance shall accrue interest at the rate of 1.5%/month. All Warranties for flooring will be void if there are unpaid balances on the project.

- Interest on Unpaid Balances - In the event any payments due hereunder become in default Customer agrees that any and all such sums shall accrue interest at the rate of eighteen (18%) per annum.
- Attorney's Fees - If Industrial Concrete Services Inc. is required to initiate legal action to collect any amounts due owing or to foreclose on any liens filed on the work, such costs and fees ICS may recover include any and all prelitigation expenses, including attorney's fees incurred in attempting to recover said amounts. Any litigation shall take place within the State of Maine.

PROJECT WARRANTY

Industrial Concrete Services warrants that the installation of the floor sealer and/or coating will be free from defects due to improper installation for a period of one year from the date of installation. ICS's warranty is only valid if the area that is coated is exposed to normal usage, conditions, traffic and/or only those chemical spills which have been specified by the Company in advance of installation.

ICS will not be liable for any economic or consequential damages. This warranty remains in effect only if there are no outstanding balances due from the Company to ICS. Otherwise, this warranty shall be deemed to be null and void.

The warranty excludes defects in the coatings as a result of one or more of the following items:

1. Blistering, peeling or delamination of the Floor Sealer System due to excessive moisture in the concrete below, including but not limited to moisture due to water vapor emission, hydrostatic pressure, osmotic ground water pressure, or any other excessive water vapor related problems. Evidence of excessive moisture shall be determined by a calcium chloride test performed under the ASTM F-1869-04 "Standard Test Method for Measuring Moisture Vapor Emission Rate of Concrete Using Anhydrous Calcium Chloride" giving readings greater than 3-lbs./1,000-sf/24 hrs. and/or an internal concrete relative humidity test performed under the ASTM F2170, "Standard Test Method for Determining Relative Humidity in Concrete Floor Slabs using *in situ* Probes" giving readings greater than 70% RH

Industrial Concrete Services

2. ICS does not guarantee the waterproofing properties of the products we install. Waterproofing warranties if any, must come from the manufacturer of the product and not ICS.
3. Cosmetic defects due to, among other things, gouging, scraping, staining or discoloration during the service life of the installation.
4. Damage, including, but not limited to cracking, resulting from movement of the ground, foundations, vibrations and/ or settling and or normal movement of the thermal cycling of control and cold joints in the concrete slab.
5. Changes in the original environment for which ICS's system was designed or intended, including, but not limited to: (a) failure to disclose, prior to signing the contract with ICS, pertinent information necessary for the design of the floor coating system or (b) any building alteration, improper design, or any cause beyond the control of ICS.
6. Accidental or intentional physical damage due to physical abuse or thermal damage that is beyond the products installed standards.
7. Acts of God, including, but not limited to, acts of terrorism, tornados, hurricanes, earthquakes and/or floods.

If the installation of the floor proves to be defective within the one (1) year warranty period, ICS will repair or replace the defective area(s) at no cost to the Company and within reason, with the minimum possible disruption to the Company's operations. At ICS's sole option, if it deems the defects to be irreparable and beyond repair, the floor will be restored to its original condition or a refund provided for the defective area.

Owners Responsibilities under this Warranty

Company shall notify ICS of any defect covered under this warranty as soon as the defect is discovered, and not longer than 30 days after the failure is, or should have been, discovered. Such notification should be documented in writing.

1. Company shall be responsible to secure necessary approval or releases of liability from any building occupants that may be affected by ICS repair operations and to remove at its cost any obstructions from affected area(s) that may hinder the repairs from being made in an expedient manner.
2. ICS shall have free access to the affected area in question during normal working hours or periods, for the duration of this warranty.

YOUR RESPONSIBILITIES

Your help is necessary to insure the success and on-time completion of your project. The following assistance is required:

1. The Company must provide dumpster(s) to dispose coating removal and or concrete grinding materials, and dry debris from the removal process & waste generated on the project.
2. The Company shall be the responsible for the moving of all equipment, furniture and/or any and all other objects from the work area so as to provide ICS with free unencumbered access.
3. The Company shall be responsible for any required protection from adverse weather conditions.
4. The Company shall be the responsible for any hoisting required to get our materials and equipment to a work area.
5. If floor cleaning and/or acid etching is required, then the Company shall be responsible for the disposal of wastewater.
6. The Company must coordinate the work of other trades in order to provide ICS with clear, unencumbered and unobstructed access to the work area.
7. The Company must provide ICS with floor temperatures required by the product manufacturer.
8. The Company shall be responsible for installing finished floor protection.
9. The Company to provide all necessary water and electrical connections including 480V 3 Phase 60 Amp, a maximum of 250 feet from work area, for shot blasting or grinding equipment (if required); and a minimum of four (4) 110V 20 amp connections for grinding and vacuum equipment. ICS can provide power at additional costs
10. **Maintenance of Floor:** Use soft bristle brushes on floor scrubber or sweeper.

Industrial Concrete Services

CONTRACT ACCEPTANCE

Industrial Concrete Services is pleased to have been given the opportunity to submit this proposal and we are looking forward to working with you. You may indicate your acceptance by signing where indicated below.

Agreed and Accepted for ICS

By: _____

Name: _____

Title:_____ **Date:** _____

Agreed and Accepted for The Company:

By: _____

Name: _____

Title:_____ **Date:** _____

Quote Submitted By:
Patrick Clarke/ 413-579-2997/ patclarke@icscoatings.com

PROPOSAL

June 10, 2026

RC Andersen LLC
695 US-46 Suite 205,
Fairfield, NJ, 07004
Attn: Kyle Rosser

RE: Sky Harbour – Epoxy Flooring – Proposal

1. **Epoxy Flooring Scope**
    - Furnish and Install Epoxy Flooring (CONC-2) at all surfaces of Hanger 1 (100) & Hanger 2 (200)
    - Material: Sikafloor MultiDur HS (161/264/340) System
    - Steps for Application:
        - Day 1: Shot Blasting Surface (achieve CSP 3-4) – Removes laitance, curing compounds, contaminants, & weak concrete. Joint & Crack Repair – joints, cracks, spalls filled with appropriate Sika repair material. Final Vacuum.
        - Day 2: Application of Sikafloor 161 – Allow to cure per temperature conditions.
        - Day 3: Application of Epoxy Body Coat – Light sandin/screening if required. Aply Sikafloor 264.
        - Day 4: Urethane Topcoat – Screen & Vacuum. Apply of Sikafloor 340 with premixed color additive as approved. Broadcast traction additive.
        - Return to Service. Light foot traffic typ. 24 hours, Forklifts and equipment 48-72 hours. Aircraft traffic often 5-7 days (temperature dependent)
    - Approx. 70,000SF Total

Total Price: $ 724,790.00

Clarifications & Exclusions

- Includes local labor as required.
- Includes regular working hours (7am to 3:30pm)
- Excludes any overtime
- Includes standard insurance.
- Excludes bonding.

Sincerely,

Matt Ulsh

Project Manager/ Sales Director
EASI Caulking & Cladding

Sky Harbour

Prepared by RC Andersen

Project Location: 70 Citation Drive Wappingers Falls, NY

09 00 00: Epoxy Flooring	Industrial Concrete Services			Easi Caulking		
Base Bid	**$424,536**			**$724,790**		
	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
LINE ITEMS						
Epoxy Flooring			**$424,536**			**$724,790**
Hanger 1			$206,240			$724,790
- Shot Blast Floor			included			included
- Fill in Joints			included			included
- Floor Repairs			included			included
- Apply Sika 1620 Moisture Primer 16 mils			included			included
- Screen and wash Floor			included			included
- Apply Sika 264 Epoxy at 24 mils			included			included
- Screen and wash Floor			included			included
- Apply Sika 315 Urethane at 3 mils			included			included
- Non skid oxide and glass beads			included			included
Hanger 2			$206,020			included
- Shot Blast Floor			included			included
- Fill in Joints			included			included
- Floor Repairs			included			included
- Apply Sika 1620 Moisture Primer 16 mils			included			included
- Screen and wash Floor			included			included
- Apply Sika 264 Epoxy at 24 mils			included			included
- Screen and wash Floor			included			included
- Apply Sika 315 Urethane at 3 mils			included			included
- Non skid oxide and glass beads			included			included
GSE			$12,277			included
- Shot Blast Floor			included			included
- Fill in Joints			included			included
- Floor Repairs			included			included
- Apply Sika 1620 Moisture Primer 16 mils			included			included
- Screen and wash Floor			included			included
- Apply Sika 264 Epoxy at 24 mils			included			included
- Screen and wash Floor			included			included
- Apply Sika 315 Urethane at 3 mils			included			included
- Non skid oxide and glass beads			included			included
GENERAL						
Tax		YES			YES	
Duration		2 weeks per hanger			2 weeks per hanger	
Base Bid Total			**$424,536**			**$724,790**

695 Route 46, Suite 205
Fairfield, NJ 07004
973-227-8100

Cover Letter: 6/26/2026

Robin Mack
Think Dutchess Alliance for Business
3 Neptune Road
Poughkeepsie, NY 12601
robin@thinkdutchess.com

Reference: Aircraft Hanger Development – 70 Citation Drive – Wappingers Falls, NY

Subject: IDA-Labor Policy Exemption Request
Trade/Subcontractor: Fire Protection Systems
Installed by: **Newark Fire Sprinkler Corp.**

Ms. Mack,

Please review the exemption request for the above referenced trade contractor based on the following allowable exemption reason:

- Exemption Reason: Significant cost differentials

Newark Fire Sprinkler Corp has provided pricing for the project as a, non-local contractor for the project. Local pricing was obtained from Campbell Fire Protection, Northeast Fire Protection as well as an additional bid from a non-local national traveling fire protection company Shambaugh. No local contractors was able to be lowered to meet the 10% cost differential based on the total project cost.

It is for the above reasons that we respectfully request an exemption to the IDA Local Labor Policy for this trades work on the project.

Should you have any questions, please feel free to contact me.

Sincerely,

Matthew Tracy
Project Executive
RC Andersen

CC: David Sherman – Sky Harbour

Sky Harbour

Prepared by RC Andersen

Project Location: 70 Citation Drive Wappingers Falls, NY

21 00 00: Fire Protection	Northeast Fire Protection, Inc.			Newark Fire			Campbell Fire Protection			Shambaugh & Son		
Base Bid	**$1,100,000**			**$290,000**			**$788,900**			**$562,604**		
LINE ITEMS	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
Fire Protection			**$1,069,965**			**$283,000**			**$788,900**			**$562,604**
Plans/ Hydraulic Calcs			Included			$7,000			Included			Included
- Density Hangar		0.17 gpm	included		0.17 gpm	included		0.17 gpm	Included		0.17 gpm	Included
- Density Storage		0.2 gpm	Included		0.2 gpm	included		0.2 gpm	Included		0.2 gpm	Included
- Density Office		0.1 gpm	Included		0.1 gpm	included		0.1 gpm	Included		0.1 gpm	Included
Misc. Material												
- Total Sprinkler Heads			included		1196	included	1200		included			included
- Distrubtion Type			included		Bulk Main- Internal. Sched 10 Black Steel	included			included			included
- Pendent Heads			included		All finished areas	included			Included			included
- Upright Heasd			included		All Exposed Areas	included			Included			included
- Backflow Preventor			included			included			included			included
- Riser Manifolds			included	4 Locations		included	4 Locations		included			included
- Fire Department Connection			included			included			included			included
- Fire Pump			Not Applicable			Not Applicable			Not Applicable			Not Applicable
Other			included						included			included
- Static Hydraulic Testing			included			included			included			included
- AHJ Inspections/ Oversight			included			included			included			included
- Support during hydrant flow testing			included			included			included			included
GENERAL												
Tax		NO- Breakout provided	30035		YES			YES			YES	
Mobilization		YES			YES			YES			YES	
Submittals		YES			YES			YES			YES	
NY Insurance		YES			YES			YES			YES	
Closeout Docs		YES			YES			YES			YES	
Equipment and Lifts												
Base Bid Total			**$1,100,000**			**$290,000**			**$788,900**			**$562,604**

NEWARK FIRE SPRINKLER CORP.

4 LIBELLA COURT
NEWARK, NJ 07105
OFFICE: 973-817-8114
SALES@NEWARKFIRESPRINKLER.COM
WWW.NEWARKFIRESPRINKLER.COM
LIC # P01570

INDUSTRIAL WAREHOUSE PROPOSAL

PROJECT ADDRESS:	**263 NEW HACKENSACK RD WAPPINGERS FALLS, NY**
ACCOUNT NAME:	**RC ANDERSEN**

DOCUMENTS PROVIDED	
ARCHITECTURAL:	**PROVIDED**
STRUCTURAL:	**PROVIDED**
CIVIL:	**PROVIDED**
SPECIFICATIONS:	**PROVIDED**
ADDENDUMS:	**NOT PROVIDED**
HYDRANT FLOW TEST REPORT:	**PROVIDED**

PROJECT INFORMATION	
TOTAL SQUARE FOOTAGE:	**74600**
CEILING HEIGHT (UNDERSIDE OF ROOF DECK):	**46**
TOTAL SPRINKLER HEADS:	**1196**
RACKS:	**YES**
FIRE PUMP:	**YES**
DISTRIBUTION TYPE:	**INTERNAL**

LABOR STATUS FOR THIS PROJECT	**TAXES**	**INSURANCE**
OPEN SHOP/ NON-UNION	TAXES INCLUDED	STANDARD COVERAGE

ALL WORK PROVIDED SHALL BE IN ACCORDANCE WITH CURRENT IBC, NY EDITION UNIFORM CONSTRUCTION CODE.
ALL LISTED EQUIPMENT IS FURNISHED WITH MONITORING AND TAMPER PROOF DEVICES TO BE WIRED BY OTHERS.
NFSC SCOPE BEGINS AT UNI-FLANGE INSIDE SPRINKLER ROOM INSTALLED BY OTHERS.

PROPOSED DESIGN CRITERIA

AREA	TYPE OF SYSTEM	AREA OF APPLICATION (MOST REMOTE)	MAXIMUM AREA / SPRINKLER	DENSITY (GPM/FT^2)	NOTES
OFFICES	WET	1,500 FT^2	225 FT^2	0.10	LIGHT HAZARD
MEP	WET	1,500 FT^2	130 FT^2	0.15	ORDINARY HAZARD GROUP I
STORAGE	WET	1,500 FT^2	130 FT^2	0.20	ORDINARY HAZARD GROUP II
GARAGE / SERVICE AREA	WET	1,500 FT^2	130 FT^2	0.20	ORDINARY HAZARD GROUP II
HANGAR BAY	WET	5,000 FT^2	130 FT^2 (NOTE 5)	0.17	MINIMUM DEISIGN DENSITY IN ACCORDANCE WITH NFPA 409 § 9.2.5
COLUMN PROTECTION	WET	NOTE 6	-	0.25	-

EQUIPMENT

1 FIRE SERVICE BACKFLOW PREVENTOR

4 RISER MANIFOLDS INTO SYSTEM FEED MAINS

THE MAXIMUM FLOOR AREA ON ANY FLOOR TO BE PROTECTED BY SPRINKLERS SUPPLIED BY ANY ON SPRINKLER SYSTEM RISER OR COMBINED SYSTEM RISER SHOULD BE AS FOLLOWS:

STORAGE - HIGH PILED STORAGE = 40,000 SF

FIRE DEPARTMENT CONNECTION

INCLUDED

COMMERCIAL OFFICE SPACES

UPRIGHT HEADS INSTALLLED EXPOSED - SCHED. 10 BLACK STEEL PIPE

PENDENT HEADS TO ALL FINSIHED CEILING AREAS - SCHED. 10 BLACK STEEL PIPE

TOTAL COST SUMMARY

PLANS AND HYDRAULIC CALCULATIONS:	**$7,000.00**
PROJECT COST:	**$283,000.00**
TOTAL PROJECT COST:	**$290,000.00**

ADD ALTERNATES

ADD: DIESEL FIRE PUMP:	**$125,000.00**
ADD: ELECTRIC FIRE PUMP:	**$50,000.00**

EXCLUSIONS

PERMIT FEES
ELECTRICAL ALARM WORK
UNDERGROUND WORK
WATER METERS - WATER METER TO BE PROVIDED BY THE WATER COMPANY.
FIRE CAULK - FIRE STOPPING.
PAINTED OR GALVANIZED PIPE AND FITTINGS.
DRY OR PREACTION SYSTEMS
IN-RACK SPRINKLERS. RACK COVERAGE FROM ABOVE ONLY
ANY REQUIRED FOAM OR SPECIAL SYSTEMS
NY LABOR REQUIREMENTS NOT INCLUDED IN BASE PRICE. OPEN SHOP LABOR ONLY.

INVOICE TERMS:

NEWARK FIRE SPRINKLER CORPORATION SHALL SUBMIT MONTHLY PROGRESS BILLING NO LATER THAN THE 30TH OF THE MONTH. PAYMENTS WILL BE DUE NO LATER THAN THIRTY (30) DAYS FROM THE DATE THE INVOICE IS SUBMITTED.

CUSTOMER AGREES TO PAY LATE-FEES OF 1 ½ PRECENT INTEREST FOR THE BALANCE OVER 60 DAYS AND AGREES TO PAY COLLECTION COSTS FOR BALANCES OVER 90 DAYS. VISA, MASTER CARD AND AMERICAN EXPRESS ARE ACCEPTED. CREDIT CARD PAYMENTS ARE SUBJECTED TO A 3.40% PROCESSING FEE.

THIS PROPOSAL WILL BE HONORED FOR A PERIOD OF 60 DAYS FROM THE DATE PREPARED.
IN THE EVENT THAT IT BECOMES NECESSARY TO ENFORCE THE TERMS OR CONDITIONS OF THIS AGREEMENT OR TO RECOVER ANY SUMS DUE, THE UNDERSIGNED AGREES TO PAY ANY ATTORNEY FEES, COURT COST OR COST OF COLLECTIONS.

NEWARK FIRE SPRINKLER CORPORATION	**RC ANDERSEN**
SIGNATURE:	SIGNATURE:
PRINT NAME:	PRINT NAME:
TITLE:	TITLE:
DATE:	DATE:

***CONTRACT NOT VALID UNLESS EXECUTED BY BOTH PARTIES**

FIRE PROTECTION
P.O. Box 389, 47 Chestnut Street, Suffern, NY 10901
(845) 357-1441 * Fax (845) 357-1444
www.campbellfire.com * email: Gary@campbellfire.com

June 19, 2026

Sean Armstrong
Project Engineer | **RC Andersen**
(O) 973.227.8100 | (M) 973.897.2562
695 Route 46, Suite 205, Fairfield, NJ 07004
sean.armstrong@rcandersen.com | www.rcandersen.com

Re: Fire Sprinkler System Sky Harbour 263 New Hackensack RD Wappingers Falls NY 12590

Campbell Fire is pleased to provide you with a quote to service your fire sprinkler needs, this quote is based on the drawings provided.

Campbell Fire will install approximately 1,200 sprinkler heads throughout the new building as described on the supplied drawings. Included is one (1) backflow device and 4 wet risers supplying the renovated space.

THIS PRICE IS SUBJECT TO CHANGE ONCE FLOW RESULTS ARE OBTAINED AND ENGINEERING AND HYDRAULIC CALCULATINS ARE PERFORMED.

- ***The total price for this job will be $788,900.00 plus tax if applies.***
- ***Excluded in this proposal are any permit fees or submittals.***
- ***INCLUDED in this proposal are sprinkler drawings and calculations.***
- ***All piping will be black steel threaded/grooved.***
- ***To perform this, work the client will need to create a safe and clear environment.***
- ***This proposal is nonunion rate.***
- ***Certified payroll is not included***
- ***This work will be guaranteed for a period of 1 year (parts and labor on defective components).***
- ***All work is based on a normal work week M-F 8:30-4:30.***
- ***Campbell Fire is not responsible for any patching of walls or firestop due to this installation.***
- ***Campbell Fire is not responsible for any alarm/electrical work or any underground piping.***
- ***Excluded in this price are any fire pumps and controllers.***

ALL SYSTEMS WILL BE WET TYPE. CUSTOMER MUST PROVIDE ADEQUATE HEATING TO PREVENT PIPES FROM FREEZING

ACCEPTANCE OF PROPOSAL:
The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be as follows: 50% deposit; 40% at completion and 10% at final approval.

If the scope of work increases significantly, the cost estimate will increase. You will be notified if the scope of work increases before we do work over the estimated cost. By agreeing to this authorization, you grant CFP permission to perform the work described above, agree to our standard terms and conditions, and agree to pay for the work. All prices include travel time and work performed under Merit Labor. All prices exclude tax, permit acquisition, and permit fees.

_____ _____

Authorized Signature Date Accepted

Sincerely,
Gary Krol
Partner

1. Customer acknowledges receipt of copy and understands all of this agreement particularly paragraphs 2, 3, 4, and 5, which set forth the Company's maximum liability.

2. LIMITED WARRANTY: ALL MATERIAL AND REPLACEMENT COMPONENTS INSTALLED ARE WARRANTED TO BE AS SPECIFIED IN ACCORDANCE WITH THE MANUFACTURER'S SPECIFICATIONS AND SHALL INCLUDE MANUFACTURER'S WARRANTY IF APPLICABLE. ALL WORK IN THE SERVICE AND MAINTENANCE OF THE FIRE EQUIPMENT SHALL BE COMPLETED IN A WORKMANLIKE MANNER ACCORDING TO STANDARD PRACTICES. CUSTOMER SHALL ASSUME ALL RICK FOR LOSS OR DAMAGE TO PREMISES OR ITS CONTENTS AND EXCEPT AS EXPRESSLY SET FORTH HEREIN. COMPANY MAKES NO EXPRESS OR IMPLIED WARRANTIES AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE FIRE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR USE. CUSTOMER ACKNOWLEDGES THAT THERE ARE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WHICH EXTEND BEYOND THOSE ON THE FACE OF THE AGREEMENT HEREOF.

3. COMPANY'S LIABILITY, LIQUIDATED DAMAGES: Company does not guarantee or insure the effect of the service, or that the service will in all cases provide the protection for which it is intended. Customer acknowledges that insurance, if any, shall be obtained by Customer; that payments provided herein are based solely on the value of the service and are unrelated to the value of Customer's property or the property of others located on Customer's premises; that Company makes no guarantee or warrantee, including any implied warranty of merchantability or fitness that the system or service supplied will avert or prevent occurrences or the consequence therefrom from which the system or service is designed to protect or avert. Customer acknowledges that it is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from a failure to perform any of the obligations herein or the failure of the system to properly operate with a resulting loss to Customer because of, among other things:

   a. The uncertain amount or value of Customer's property or the property of others kept on the premises which may be lost, destroyed, damaged or otherwise affected by occurrences which the system is designed to detect or avert.
   b. The inability to ascertain that portion, if any, of any loss would proximately be caused by Company's failure to perform or the equipment to operate.
   c. The nature of the service to be performed by the Company.

   Customer understands and agrees that if Company or its agents, assigns or its employees should be found liable for loss or damage due to a failure of service or equipment in any respect whatsoever, Company and its agents, assigns, and employees liability shall be limited to the sum equal to the price of one service inspection, or Two Hundred Fifty Dollars ($250.00), whichever is lesser as liquidated damages and not as a penalty and this liability shall be exclusive, and that provisions of this section shall apply if loss or damage, irrespective of causes or origin results directly or indirectly to persons or property from performance or non-performance of the obligations imposed by this contract, or from negligence, active or otherwise of Company, it agents, assigns or employees.

4. SUBROGATION: Customer hereby releases, discharges and agrees to hold Company harmless from any and all claims, liabilities, damages, losses or expenses, arising from or caused by any hazard covered by insurance in or on the premises of Customer whether said claim is made by Customer, its agents, or its insurance company or any other parties making a claim under or through Customer. Customer agrees to indemnify Company against, defend and hold Company harmless from any action for subrogation which may be brought against Company by any insurer or insurance company or its agents or assigns including the payment of all damages, expenses, costs and attorney's fees.

5. INDEMNIFICATION: In the event any person, not a party of the Agreement, including Customer's insurance company, shall make any claim of file any lawsuit against Company for any reason whatsoever, including but not limited to the installation, service, maintenance, operation or non-operation of the system, or related equipment, including the payment of all damages, expenses, costs and attorney's fees, whether these claims be based upon alleged intentional conduct, active or passive negligence, or strict or product liability, on the part of Company its agents, assigns or employees.

6. DELAY OR INTERRUPTION IN SERVICE: Company assumes no liability for delay in service of the equipment or for interruption of service due to strikes, riots, floods, storms, earthquakes, fires, power failures, insurrection, acts of God or any other cause beyond the control of Company and will not be required to supply service to the Customer where interruption of service due to any such cause shall continue therein.

7. CUSTOMER'S DUTIES: Customer will extend to the Company all cooperation necessary to permit Company to perform the services provided herein. Customer agrees to keep the fire protection equipment and the surrounding area free and clear from any grease, dirt of other debris at all times. Customer shall immediately notify Company in the event the fire protection equipment is activated and discharged because of fire or any other reason.

8. DELINQUENCY; INTEREST: In the event any payment due hereunder is more than 10 days delinquent; Company may impose and collect from Customer a delinquency charge of 1-1/2% per month (or maximum allowed by law) of the amount due.

   If Customer fails to pay any amount herein provided within 10 days after the same is due and payable or if Customer fails to perform any other provisions hereof of within 10 days after Company shall have requested in writing performance thereof or if any proceeding in bankruptcy, receivership or insolvency shall be commenced by or against Customer of his property or if Customer makes any assignment for the benefit of creditors, Company shall have the right but shall not be obligated to exercise any of one or more of the following remedies:

a. Recover the existing amounts due from Customer and continue the service of the system in which case Company shall be entitled to recover in addition the amounts due under the contract for said services; or
b. Discontinue service at Customer's address listed above. If Company discontinues service, Company shall be entitled to recover the existing amounts due under this contract for services performed up to the date of discontinuing said services, and, in addition, damages computed by subtracting the anticipated cost of replacement materials, equipment and service over the unexpired term of the Agreement from the total sum Company would have received over the term of the Agreement. This cost of material, equipment and services is to be determined by Company in its sole discretion from its prior experience; or
c. Recover from the Customer all sums Company may be entitled to by law.

9. ATTORNEY'S FEES: In the event it shall become necessary for Company to instituted legal proceedings to collect the cost of any charge as set for herein, then and in such proceedings, the unsuccessful party shall pay for the successful party reasonable attorney's fees where permitted by law.

10. INVALID PROVISIONS: If any of the terms or provisions of this Agreement shall be determined to be invalid or inoperative, all of the remaining terms and provisions shall remain in full force and effect.

11. CUSTOMER ACKNOWLEDGEMENT: Customer acknowledges that fire protection equipment is intended to reduce the consequences of fire damage. Fire protection equipment does not guarantee mitigation of fire damages. Customer acknowledges that it makes the decision as to the types and designs of fire equipment protection, equipment installed, the need for upgrading or redesign, and the frequency of servicing (including grease removal, if applicable). Certain fire protection equipment such as fire extinguishers are not designed to put out all sizes of fires.

12. ASSIGNMENT: This Agreement may not be assigned by Customer; except upon the prior written consent of Company. This Agreement may be assigned by Company without the consent of Customer and Company shall have the further right to subcontract any service which it is obligated to perform hereunder.

13. LIMITATION: No action shall be commence or maintained against Company upon any claim based upon, arising out of, or related to this Agreement or performance thereunder, unless such action is commenced within one (1) year after the claim first arose.

14. ENTIRE INTEGRATED AGREEMENT; MODIFICATIONS; ALTERATIONS; WAIVER: This writing is intended by the parties as the final expressions of their Agreement and as a complete and exclusive statement of the terms thereof. This Agreement supersedes all prior representations, understandings of Agreements of the parties, and the parties rely only upon the contents of this Agreement in executing it. This Agreement can only be modified by a writing signed by the parties or their duly authorized agent. No waiver of a breach of any terms or condition of this agreement shall be construed to be a waiver of any succeeding breach.

Fire Protection Proposal

Northeast Fire Protection, Inc.
A Sirina Fire Protection Company
178 Brady Avenue
Hawthorne, New York 10532
www.nefpi.com

NORTHEAST

Proposal No.: P25-0127-A
Date: 6/19/2026
Revised

By: Brian P. Hoey PE
Email: brian@nefpi.com
Office: 914-773-1960
Cellular: 914-490-9175

Client: RC Andersen
Address: 695 Route 46, Suite 205
Fairfield, New Jersey 07004
Attention: Sean Armstrong

Project: Sky Harbour
Address: 263 New Hackensack Road
Wappings Falls, New York

We are pleased to offer our proposal to furnish material, equipment, labor, supervision, professional design and administrative services for the ***Fire Protection Work*** for the sum of: **$1,100,000.00**

Our proposal is based on the following:

Cost Breakdown:

Fire Protection Work	$ 1,069,965	
Sales & Use Taxes	$ 30,035	*(included on material only)*
Total	$ 1,100,000	

Bid Documents:

Drawings:	F-001 through F-102 dated February 27, 2026, A-121 and A-122 dated May 15, 2026
Specifications:	Section 21 dated August 1, 2025
Addenda:	Addendum #1 dated October 3, 2025 and RFI Responses 1-48
Prepared by:	Margulies Hoelzli Architecture

Alternates: Not Applicable

Allowances: Not Applicable

Unit Prices:

Foreman:	$188.53/Hour Straight Time	$258.97/Hour Overtime	$329.42/Hour Premium Time
Journeyman:	$180.86/Hour Straight Time	$247.47/Hour Overtime	$314.08/Hour Premium Time
Material:	Invoice Cost + 15%		

Contractors & Engineers
Protecting Life & Property Since 1994

Qualifications:

1 We shall perform our work during the hours of 7:00 a.m. and 4:00 p.m. weekdays.
2 The project architect shall provide us with a complete set of contract drawings in the latest version of AutoCAD at no cost.
3 The general contractor or owner shall furnish us a copy of the general building permit for our use.
4 All trades must participate in formal coordination to avoid field installation conflicts.
5 We shall provide statutory worker's compensation, $2,000,000 general liability, $8,000,000 excess liability and professional liability insurance.
6 The general contractor or owner shall furnish us a project tax status certificate upon proposal acceptance.
7 Additional work orders shall be approved in writing prior to work being performed.
8 Payment terms shall be net 30 days from end of month.
9 No more than 5% retainage may be held in accordance with New York General Business Law Section 756-c.
10 This proposal is valid for sixty (60) days.
11 This proposal is subject to mutually agreed upon terms and provisions.

Scope Inclusions:

1 We include professional engineer signed and sealed shop drawings and hydraulic calculations.
2 We include electronic product data and equipment submittals.
3 We include fire protection permit application and applicable fees.
4 We include sales and use taxes as required by state and local government.
5 We include inspections and testing in accordance with NFPA and the local authority having jurisdiction.
6 We include coring and cutting for our work.
7 We shall design, furnish and install a new wet pipe sprinkler system as indicated on the bid drawings.
8 We shall begin our work at the new fire service flange located inside the building.
9 We shall install UL/FM listed band hangers in accordance with NFPA 13.
10 We shall install pipe and fittings as specified.
11 We shall install new sprinklers as specified.
12 We shall install UL/FM listed riser manifolds, butterfly valves and drain valves.
13 We shall install valve supervisory and water flow switches.
14 We shall install one UL/FM listed fire department connection in accordance with NFPA 14.
15 We shall install one UL/FM listed, double check backflow preventer as specified.
16 We shall install fire stopping at penetrations of two-hour fire rated partitions.
17 We shall remove our debris to floor containers provided by others.
18 We include as built drawings, operation and maintenance manuals and one-year warranty.

Scope Exclusions:

1 Fire extinguishers and extinguisher cabinets.
2 Rough and finish patching.
3 Painting.
4 Debris carting fees.
5 Temporary utilities.
6 Temporary protection.
7 Alarm wiring.
8 Heat tracing and insulation.
9 Automatic fire pumping systems.
10 Standpipe and standpipe equipment.
11 Underground piping and valves.
12 Health Department applications.
13 Sales tax on labor.
14 Overtime.
15 Trade allowances.
16 Third party inspections.

SHAMBAUGH & SON, L.P.
CONTRACTORS - ENGINEERS
SINCE 1926

An EMCOR Company

FIRE PROTECTION DIVISION
7614 OPPORTUNITY DRIVE (46825)
P.O. BOX 1287 (46801)
FORT WAYNE, IN
TELEPHONE 260-487-7777
FAX 260-497-1695
www.shambaugh.com

Date: June 22, 2026

To: Sean Armstrong
RC Andersen

Phone: 973-227-8100
Email: Sean.Armstrong@rcandersen.com

Re: Sky Harbour
New Hangar facility
Fire Protection Proposal

Dear Sean:

Shambaugh & Son, L.P. is pleased to present our fire protection proposal for the above-referenced project. This proposal was prepared in conjunction with the drawings and specifications that was provided to Shambaugh & Son.

WATER SUPPLY

Our proposal is based on water supply characteristics furnished in the contract drawings. The flow test data utilized shows a water supply of 114 psi static, 98 psi residual, while flowing 1492 gpm. The test was conducted on 2/26/25 at the project location.

If we find that the water supply is less than the test results noted above, it may be necessary for us to seek additional compensation to change pipe diameters, add a storage tank, and/or add a fire booster pump.

This proposal assumes that the main water supply will be installed, flushed, and tested by others and made available as per normal construction sequences for the hydrostatic testing of our overhead sprinkler systems. If permanent water is not available when needed to perform our required testing, Shambaugh & Son will provide an added change order cost to provide the necessary water trucks, hoses, and added labor to perform this added process and keep pace with the construction schedule.

Our design is based upon an 8" lead-in being brought up into the building to 8" AFF, at pre-determined locations provided by others and coordinated by Shambaugh & Son.

We are excluding all fire protection underground piping work, hydrants, underground vaults with water meters and backflow preventers, yard fire department siamese connections, etc., including all flushing, chlorination, and testing as per N.F.P.A. and local water company requirements. **We have not included any costs for the design and approvals for the site fire loop scope of work**. We are also excluding the installation and alarm wiring for any required outside PIV valve tamper switches and any unforeseen conditions involving underground work.

PLEASE NOTE: Shambaugh & Son has not taken into consideration any IFC appendix B site hydrant flow requirements that exceed the sprinkler system demand.

SPRINKLER SYSTEM DESIGN CRITERIA

We will provide and install a new sprinkler riser header assembly consisting of a backflow preventor with each individual wet pipe riser having a butterfly type control valve with main drain, pressure gauges, and flow switch. We also will provide an outside fire department connection to meet the local fire department requirements.

Our design for the office areas is based upon a Light Hazard occupancy, hydraulically calculated to provide a density of 0.10 gpm over the most remote 1500 ft^2 with 100 gpm hose stream allowance.

Our design for the Storage and service areas is based upon a Ordinary Hazard occupancy, hydraulically calculated to provide a density of 0.20 gpm over the most remote 1500 ft^2 with 250 gpm hose stream allowance.

Our design for the hangar area is based upon NFPA 409, hydraulically calculated to provide a density of 0.17 gpm over the most remote 5000 ft^2 with 500 gpm hose stream allowance.

Miscellaneous and Low Piled Storage
In conjunction with our Ordinary Hazard group designs above, the following miscellaneous storage arrangements are allowed per N.F.P.A. 13.

- Solid pile storage of Class I through IV commodities up to 12' high
- Group "A" plastics up to 5' high
- Wood pallets up to 6' high
- Plastic pallets up to 4' high
- Rack storage of Class I through IV commodities up to 10' high.

Miscellaneous and low piled storage must not constitute more than 10% of the building area or 4,000 sq. ft. total. Such storage will **not** exceed 1,000 sq. ft. in one pile or area and each such pile or area will be separated from other storage areas by at least 25'. **Protection of any expanded plastic products is specifically excluded.** No storage is permitted in Light Hazard occupancies.

Sprinklers in areas with finished ceilings will be concealed white pendents on concealed piping and will be located in the center of acoustical ceiling tiles. Sprinklers in exposed areas without finished ceilings will be brass uprights on exposed piping.

We are excluding any interior fire hose valves or racks for this facility.

All pipe and fittings will be in accordance with N.F.P.A. #13 and other applicable codes. No allowance has been made for design variations from NFPA standards that may be requested by any insurance agency or local authority.

All hangers will be sized and spaced in accordance with N.F.P.A. codes for standard building construction. No allowance has been made to supply or install additional or special hanger materials or devices to improve the structural strength of the building to enable it to bear the weight of the sprinkler system. Trapeze hangers, with normal N.F.P.A. spacing, for supporting 6" and 8" mains that run parallel to the bar joists or truss purlin members have been included in this proposal. We have **not** included any costs associated with unknown expansion joints for this project at this time.

If High Volume Low Speed (HVLS) Fans are to be installed in the building(s), they must be installed to conform to the requirements of NFPA, section 11.1.7.

1. The maximum fan diameter shall be 24 feet.
2. HVLS fans shall be centered approximately between four adjacent sprinklers.
3. The vertical clearance from HVLS fans to the sprinkler deflectors above shall be a minimum of 3 feet.
4. All fans must be interlocked to shut down immediately upon a sprinkler system water flow.

Note: HVLS fans, if shown on contract documents, have not been reviewed by Shambaugh & Son and will likely need to be relocated from currently shown locations, to be centered between four sprinklers. We can assist with suggested locations once the sprinkler systems are designed.

SEISMIC BRACING
As this facility is seismic design category B we are not including seismic bracing.

BIM MODELING
We have not included any engineering costs to provide BIM modeling for this project.

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SUBMITTALS/PERMITS

Working drawings for the sprinkler systems described above will be forwarded to the City of Wappingers Falls for approval and permits. All known permit and plan review fees have been included in this proposal and are estimated to be $125.00. **We're specifically excluding all 3rd party permit review procedures, fees and unanticipated requirements that might be requested by the local authorities.**

CLEAR SPACE

N.F.P.A. requires that a clear space of 18 inches below the sprinkler heads must be maintained throughout the building. No allowance has been made for sprinklers beneath ducts or heaters that may infringe upon this space, unless clearly referenced and shown on the provided bid drawings.

WORKING CONDITIONS

This proposal is based on the installation being performed from an unobstructed concrete floor or compacted stone base during normal working hours and using our choice of access machinery. The owner must move stock, equipment or materials to give Shambaugh & Son free access to the work area.

AHJ/INSURANCE CARRIER REQUIREMENTS

Unless noted otherwise our Design and Installation will be per NFPA, and state adopted codes/standards.

We have not included any special insurance company requirements to include Factory Mutual guidelines or specific recommendations for this project.

BASE BID PROPOSAL PRICE AND ALTERNATES

Our total base bid price to perform this work detailed in this proposal is **$562,605.00.**

MATERIAL ESCALATION/AVAILABILITY

With the continued volatility in the steel and construction industry, we are able to hold our above pricing for only (15) days, from the above proposal date, to cover current material cost escalations. All future and unknown steel material cost increases will be reviewed on an individual project basis. Also, due to current and ever-changing supply chain material short falls, we request the right to address any cost impacts which are associated with these current material supply conditions.

UNDERGROUND FLUSHING/TESTING

Flushing and testing of all new underground fire mains need to be completed as per N.F.P.A. and the local water utility requirements. Proper documentation will need to be provided by the installing contractor that these processes were completed as required to meet NFPA guidelines. If this cannot be completed correctly by the installing site utility contractor, Shambaugh & Son can be hired on a time and material basis to expedite this scope of work and make sure that it is done in a satisfactory manner to meet code guidelines. Shambaugh & Son cannot be held liable for any U-G piping problems which arise from these processes, due to the inadequacies of the installation contractor.

TERMS & CONDITIONS

After you have the opportunity to review this initial proposal, please contact us to finalize the scope of work, terms and conditions, schedule, contract price and any other relevant issues. Upon award of a contract, we request that our Shambaugh & Son scope letter be made a part of the formal contract for this project.

Also, Shambaugh & Son reserves the right to review all subcontract language and negotiate mutually agreeable terms upon award of the project. If our subcontract incorporates the prime/owner contract, we will require a copy of the prime/owner contract for review prior to signing our subcontract.

WARRANTY

Shambaugh & Son will provide a standard 1-year warranty for all parts and labor from the date the system was put into service. Additional warranty lengths or conditions will be addressed on a cost/plus basis.

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PAYMENT TERMS

Shambaugh & Son will issue monthly progress payment applications for work completed to date and expect payment within (30) days from the date of our application. Proper breakdown for each application will be provided as necessary.

Final payment, to include all retainage held, is expected (30) days after all work is completed and close-out documents are provided.

EXCLUSIONS

- Specific insurance company recommendations to include Factory Mutual Guidelines.
- All painting of pipe, fittings and equipment including cleaning pipe and protection of sprinkler heads from paint.
- Electrical and alarm wiring of sprinkler equipment.
- 8" underground lead-in(s), fire hydrants, etc., including flushing and testing.
- Reduced pressure backflow preventer.
- Fire alarm system and wiring.
- Mason and carpenter work to provide any required patching and decorating.
- Fire stopping penetrations or sleeves.
- All concrete work including pump and controller pads.
- Any signage for rooms or doors that may be required to identify the fire systems, contents, or components inside.
- Pipe identification markers.
- Fire extinguishers and cabinets.
- Cost for penetrations in steel beams if required for sprinkler lines.
- Performance and Payment Bonds.
- Premium time, double time or shift differentials.
- 3rd Party review fees or unknown requirements.
- Certified Fire Protection Engineer (FPE) stamped review and approval fees.
- BIM modeling and all associated costs.
- Standpipe system/hose racks/hose valves.
- Seismic bracing of sprinkler piping.
- Additional/special pre-engineered building, pipe hanger requirements.
- Costs associated with unknown expansion joints.
- Protection of any exterior canopies.
- Protection under overhead doors not shown or clearly detailed at this time.
- Protection under platforms, conveyors, HVAC equipment and ductwork not shown at this time.
- Sufficient heat (40° or above) to protect the sprinkler systems from freezing.
- Ceiling tile removal, repair, and replacement by others.
- Adequate and timely construction water needed for testing sprinkler systems and any associated costs.
- Adequate light and electric service to facilitate our sprinkler system installations.
- MBE/WBE minority participation and associated costs.
- Fire watch or any associated costs.
- Spotter/ground man specifically dedicated for the monitoring of aerial lift equipment.
- Temporary fire protection or any associated costs.
- Any other exclusions stated within this proposal.
- Textura or other 3rd party payment fees.
- Installation of plastic end caps or other forms of protection of our sprinkler piping during shipping and prior to installation.

Shambaugh & Son, L.P. cannot control and is not responsible for either (a) the chemical or biological properties of the water supply to our sprinkler system or (b) any impact on the condition of the piping contained in the proposed sprinkler system resulting from or otherwise attributable to chemical or biological properties, including, but not limited to, microbiologically influenced corrosion (MIC).

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Our proposal is based upon the availability of CADD drawings, if applicable, supplied at no additional cost. This will be used only for preparing sprinkler design drawings and for coordination between the mechanical and electrical trades.

Thank you for the opportunity to submit our proposal. We look forward to working with you on this project and being a part of your team. Should you have any questions or require additional information, please contact me.

Sincerely,

Mike Morey,
Estimator

"FIRE SPRINKLERS SAVE LIVES"

Kyle Rosser

From: Kyle Rosser
Sent: Tuesday, May 19, 2026 4:42 PM
To: Todd Diorio
Cc: Sean Armstrong; David Sherman
Subject: Hudson Valley Regional Airport - Local Trade Contacts

Hi Todd,

I missed you yesterday at the Orange County Partnership golf outing but looking forward to another great project in the Hudson Valley at the Dutchess County Airport. Wanted to see if you had any local companies for the following scope of work that I could reach out to:

- Carpentry – I have Tri State and PBC. Any non union companies you could recommend?
- Flooring – 3 coat epoxy floor system which is important for the client. I am checking with Easi Caulking but anyone else you could recommend?
- Painting – I have TEC protective coatings who we have worked with in the past but any other recommendations?
- Fire Sprinkler – Any non union companies you could recommend?

Thanks

Kyle Rosser
Senior Project Manager | **RC Andersen**
695 Route 46, Suite 205, Fairfield, NJ 07004
O: 973.227.8100 | C: 973.768.2124
kyle.rosser@rcandersen.com | www.rcandersen.com

136 Tower Road, Suite 205
White Plains, NY 10604

Cover Letter: 6/30/2026

Robin Mack
Think Dutchess Alliance for Business
3 Neptune Road Poughkeepsie,
NY 12601
robin@thinkdutchess.com

Reference: Aircraft Hanger Development – 70 Citation Drive – Wappingers Falls, NY

Subject: IDA-Labor Policy Exemption Request
Trade/Subcontractor: Hangar Door Furnish and Installation
by: **Door Engineering**

Ms. Mack,

Please review the exemption request for the above referenced trade contractor based on the following allowable exemption reason:

- Exemption Reason: Existing national purchase agreement with Door Engineering for furnish and install of their product across all Sky Harbour projects

Sky Harbour, the owner of the project, has an existing national purchase agreement with Door Engineering through its subsidiary Ascend Aviation Services for the furnish and install of their hangar door system across all their projects, that this Poughkeepsie Aircraft Hangar Development is grandfathered into. The agreement is attached for reference. For over 60 years Door Engineering has provided customized aviation door solutions with in-house design, fabrication, and installation. They are a traveling trade with a specific workforce that allows them to install the hangar doors in the most cost-effective and efficient manner.

It is for the above reasons that we respectfully request an exemption to the IDA Local Labor Policy for this trade's work on the project.

Should you have any questions, please feel free to contact me.

Sincerely,

David Sherman
VP Construction
Sky Harbour

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MASTER PURCHASE AGREEMENT

This Master Purchase Agreement (this "**Agreement**") is made as of this 9 day of February, 202_ (the "**Effective Date**") by and between:

BUYER: **Ascend Aviation Services LLC**, a Delaware limited liability company, with its principal place of business at 24130 Tomball Parkway, #150, Tomball, TX 77375 ("**Buyer**"); and

SUPPLIER: **Door Engineering and Manufacturing, LLC**, a Delaware Limited Liability Company with its principal place of business at 101 Power Drive, Mankato, MN 56001 ("**Supplier**").

Buyer and Supplier are sometimes referred to individually as a "**Party**" and together as the "**Parties**."

1. SCOPE AND ORDERING

1.1 Purpose. This Agreement sets out the terms and conditions under which Buyer may, from time to time, purchase products from Supplier on behalf of Buyer's end customer ("**Owner**"). Specific purchases will be made under individual orders in a form substantially similar to that annexed hereto as Exhibit A, executed by Owner and referencing this Agreement.

1.2 Orders. Buyer or Owner may place purchase orders, releases, schedule orders, or other written or electronic commitments (including via email or Buyer's procurement systems) specifying the products, quantities, prices, delivery locations, and delivery dates (each, an "**Order**"). A form of Order is attached as Exhibit A.

1.3 Acceptance of Orders. Supplier will accept each Order by the earliest of: (a) written acknowledgment; (b) shipment of any products under the Order; (c) acceptance in Buyer's electronic system; or (d) any other conduct reasonably indicating acceptance. Supplier will confirm acceptance or advise as to any reasonable objections within three (3) business days after receipt; failure to object within that period is deemed acceptance of the Order as issued.

2. PRODUCTS, SPECIFICATIONS, AND PRICING

2.1 Products. The products covered by this Agreement (the "**Products**") are described in Exhibit B and any additional products the Parties may agree in writing to add.

2.2 Specifications. Products will strictly conform to the specifications, drawings, quality standards, and other technical or commercial requirements set out or referenced in Exhibit B, the applicable Order, and any documents incorporated by reference (collectively, the "**Specifications**"). In the event of conflict between Specifications set out in Exhibit B and an Order, the requirements set forth in Exhibit B will control unless both Parties agree otherwise in a signed writing. The terms of this Agreement supersede all terms and conditions contained in any other documentation issued by either Party related to the subject matter of this Agreement, and any additional, contrary, or different terms contained in any Order or any other document issued by Buyer are expressly rejected and will be void unless separately signed by Supplier.

2.3 Pricing. Base prices, discounts, and any volume tiers are set out in the Material and Installation Pricing Schedule attached as Exhibit C. Unless an Order expressly states

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a lower price, the prices in Exhibit C are the maximum prices payable by Buyer and are firm and all-inclusive, except for (a) transaction taxes, which are handled pursuant to Section 6.5, (b) actual and documented freight costs, including, but not limited to, any imposition of any tariffs, duties, or other import or export fees or charges by any governmental authority, which will be Prepaid and Add (PP&A) and invoiced accordingly based on each agreed upon Delivery Location, and (c) costs related to the Installation Services (as defined in Section 5.1) that are (i) specifically excluded in Section 5.2 or not included in the list of exclusions set forth in the Installation SOW (defined below), and (ii) were expressly agreed to in an Order signed by both Parties, with such costs to be listed as a separate line item in an Order and Supplier's invoice due to the variance in labor requirements applicable to each Installation Location (as defined in Section 5.1).

2.4 Price Decreases and Most-Favored Pricing. If, during the term, Supplier:

(a) reduces its list, standard, or other prices for any Product, the price to Buyer for that Product automatically decreases to the lower price for all future Orders; or

(b) sells similar products in similar volumes and under similar terms to any third party at a lower net price, Supplier will promptly notify Buyer and extend such lower pricing to Buyer on a prospective basis.

3. DELIVERY, TITLE AND RISK OF LOSS

3.1 Delivery Terms; Place of Delivery. Unless otherwise agreed in writing, Supplier will deliver all Products FOB Destination (as defined in the Uniform Commercial Code), with the destination being the delivery location specified in the applicable Order (each, a "**Delivery Location**"), with all such Delivery Locations being within the continental United States. Unless stated specifically in the Order, Supplier is responsible for actual and documented costs of packing, loading, carriage, insurance, and all other charges and actual and documented freight costs required to deliver the Products to the Delivery Location, with all such costs being PP&A and invoiced to Buyer pursuant to Section 2.3.

3.2 Time of the Essence; Delivery Schedule. Delivery dates specified in an Order must be consistent with the lead times detailed in the Material Leadtime Schedule attached as Exhibit D (the "**Lead Times**"). Supplier will deliver all Products on or before the specified delivery date ("**Delivery Date**"), as such dates are confirmed by Supplier. Time is of the essence. Partial shipments, early deliveries, late deliveries or deliveries to locations other than the Delivery Location require Buyer's prior written consent. The Lead Times detailed in Exhibit D are provided as guidelines for Orders issued by Buyer. All final Delivery Dates will be confirmed by Supplier prior to acceptance of any Order. For deliveries that are expected to occur prior to the Delivery Date, Supplier shall coordinate with Buyer for the delivery and offloading of such early deliveries. To the extent that Buyer is not prepared to accept delivery prior to the scheduled delivery date, Seller shall be responsible for storage fees and expenses.

3.3 Shipment Obligations. Supplier will tender delivery by (a) delivering the Products at the Delivery Location during normal business hours; and (b) providing any documents reasonably necessary to enable Buyer/Owner to take possession and, if applicable, resell the Products.

3.4 Delays and Remedies. Supplier will promptly notify Buyer in writing if it anticipates or experiences any delay, including reasons and a proposed recovery plan. Without

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limiting Buyer's other rights and remedies under this Agreement or in law or equity, if Supplier fails to deliver by the Delivery Date, Buyer may (a) reject the late Products, cancel all or any part of the affected Order, and/or obtain substitute products from third parties and recover the reasonable additional costs and damages from Supplier; or (b) require Supplier, at Supplier's expense, to expedite shipment (including premium freight) to mitigate any delay.

3.5 Title and Risk of Loss. Risk of loss remains with Supplier until the Products are physically delivered to the Delivery Location, and title to the Products passes to Buyer upon the delivery of the Products at the Delivery Location.

3.6 Storage. Any Product whose shipment is delayed beyond the date set forth in an Order due to acts or omissions of Buyer or at Buyer's request may be placed in storage by Supplier (at Supplier's sole option). Buyer shall bear all reasonable, documented costs and expenses (including, without limitation, insurance) associated with such storage (the "**Storage Fee(s)**"). Storage Fee(s) will be assessed starting on the shipment date set forth in the applicable Order until delivery. The Storage Fee(s) will be added to the final invoice for the Products, along with any additional freight, handling, and applicable taxes incurred. The Storage Fee(s) may vary based on the type of Product stored.

4. ACCEPTANCE AND NONCONFORMING PRODUCTS

4.1 Acceptance. Except for Buyer's rights with respect to Nonconforming Products (defined below) as described in Section 4.2, Products will be deemed automatically accepted upon delivery to the Delivery Location. Notwithstanding the foregoing, such acceptance does not excuse Supplier for any warranty claims or latent defects that are identified during the applicable Warranty Period (as defined below). For avoidance of doubt, final site acceptance, which shall include acceptance of the installed Products and the Installation Services (defined below) at the Installation Location (defined below), will be separate from the acceptance of Products made under this section and will be made pursuant Section 5.7 below.

4.2 Nonconforming Products. If any Products are defective, damaged, counterfeit, short-shipped, or fail to conform to this Agreement, the applicable Order, or the Specifications ("**Nonconforming Products**"), Buyer may, at its option and without limiting any other remedies:

(a) require Supplier, at Supplier's sole cost, to promptly repair or replace the Nonconforming Products; and/or

(b) return Nonconforming Products to Supplier at Supplier's risk and expense for full credit or refund.

Supplier bears all risk of loss and all reasonable, documented costs associated with Nonconforming Products, including handling, storage, inspection, rework, return freight, and replacement shipping.

5. INSTALLATION.

5.1 Installation Services. Where specified in an Order, Supplier shall provide or shall cause a Qualified Third-Party Subcontractor (defined below) to provide installation, configuration, integration and/or commissioning services for the Products (collectively, the

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"**Installation Services**") at the Delivery Location or other location designated by Buyer ("**Installation Location**"). Qualified Third-Party Subcontractor shall mean: a subcontractor who is experienced in hangar door installation authorized to do business in the jurisdiction of the Delivery Location and maintaining all applicable licenses required in the jurisdiction of the Delivery Location and reasonably acceptable to the Buyer. All Qualified Third-Party Subcontractors shall be required to: (a) perform the Installation Servies in accordance with the terms of this Section 5, (b) maintain the insurance coverages set forth in Section 10, (c) adhere to the confidentiality obligations set forth in Section 11, and (d) comply with all applicable laws and Airport requirements as set forth in Section 13.

5.2 Scope of Installation Services; Exclusions; Buyer's Responsibilities. The Installation Services performed by Supplier or its subcontractor will include the installation items detailed in the Installation Scope of Work attached as Exhibit E, attached hereto and incorporate herein (the "**Installation SOW**"). Buyer shall be responsible for all items that are listed as excluded from the Installation Services in the Installation SOW. For the avoidance of doubt, Buyer shall be responsible for the following:

(a) storing of materials at the applicable Installation Locations;

(b) obtaining any and all necessary Federal Aviation Administration (FAA) forms and/or specific permits required at the applicable Installation Locations; and

(c) contracting for and all coordination related to securing the necessary field electrical connections.

5.3 Installation Schedule; Coordination. Supplier or its subcontractor will perform the Installation Services on the dates and within the timeframes specified in the applicable Order or otherwise agreed in writing (the "**Installation Schedule**"). Supplier will:

(a) coordinate with Buyer's designated contact to minimize disruption to Buyer's operations;

(b) comply with Buyer's site rules, safety policies, security, and access requirements; and

(c) ensure that its personnel and subcontractors are properly qualified, supervised, and insured (as specified in the Order).

5.4 Site Preparation and Access.

(a) Buyer will provide reasonable access to the Installation Location and will perform any site preparation expressly assigned to Buyer in the applicable Order.

(b) Supplier is responsible for (and its pricing includes) all other tools, materials, equipment, lifting/rigging, cabling, and incidental items reasonably required to install and commission the Products in accordance with the Specifications and applicable law, except for any items that are listed as excluded from the Installation Services as set forth in Section 5.2 and the list of exclusions set forth in the Installation SOW.

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(c) Supplier will inspect the Installation Location upon arrival and promptly notify Buyer in writing of any conditions that may affect safety, timing, or proper installation.

5.5 Compliance and Safety. Supplier or its subcontractor will perform all Installation Services:

(a) in a professional and workmanlike manner, consistent with best industry practices;

(b) in compliance with all applicable laws, building codes, electrical and safety standards, manufacturer instructions, and any permits or approvals required for installation and operation of the Products;

(c) in compliance with any Airport related requirements specified in an appliable Order; and

(d) using personnel who are properly trained, licensed, and qualified for the work being performed.

5.6 Installation Documentation and Training. At no additional charge (unless otherwise agreed in writing), Supplier or its subcontractor will provide:

(a) all installation, operation, and maintenance manuals (in English, unless otherwise agreed in writing);

(b) as-built drawings, wiring diagrams, configuration files, and similar documentation reasonably required for ongoing operation and support; and

(c) basic on-site training for Buyer's designated personnel on proper operation, safety, and routine maintenance of the installed Products, as specified in the applicable Order.

5.7 Inspection; Acceptance and Rejection at Installation Location. Buyer will have at least fifteen (15) days after final delivery of the installed Products and related Installation Services at the Installation Location (the "**Inspection Period**") to inspect and reject the installed Products and related Installation Services for nonconformity. To the extent that Buyer does not provide any notice of rejection during the Inspection Period, the installed Products and related Installation Services will be deemed accepted at the end of the Inspection Period. If the installed Products or Installation Services fail to meet the Specifications, Buyer may reject them in whole or in part and require Supplier, at Supplier's sole cost and expense, to promptly correct, repair, or re-perform the Installation Services and, if necessary, repair or replace the Products.

6. PRICE, INVOICING AND PAYMENT.

6.1 Order Pricing. Prices for Products in any Order will not exceed the prices set forth in Exhibit C (as adjusted based upon volume as indicated in Exhibit C and downward pursuant to Section 2.4), unless Buyer expressly agrees to higher pricing in writing.

6.2 Discount Pricing. The material sale price is subject to a discount based on the quantity of Product delivered in a Calendar Year as set forth in Exhibit C (the "**Discount Pricing**"). The pricing shall be determined based on the volume of Products delivered in the

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Calendar Year prior to the date of the Order. Once the volume of Products delivered exceeds the volume of that particular pricing level: (a) Supplier shall issue Buyer a credit for the difference in pricing for the Products delivered at the higher price in the Calendar Year; and (b) subsequent Orders shall be at the lower price until such time as the volume of Products delivered in the Calendar Year reaches the next threshold as set forth in Exhibit C and shall continue to decrease based on volume of Products delivered until the anniversary of the Effective Date at which time the pricing shall revert to the highest price set forth in Exhibit C. For the purposes of this section, a "**Calendar Year**" shall mean the twelve (12) consecutive month period beginning on the Effective Date and concluding each anniversary of the Effective Date thereafter. All such credit required under this section will be issued by Supplier within thirty (30) days of becoming due and owed to Buyer. To the extent that Supplier fails to deliver the Product(s) within the Lead Times set forth in Exhibit D or as otherwise specified in an applicable Order, for the purposes of calculating the Discount Pricing, it will be considered as if it was delivered within the timeline or as specified in the Order. The installation base prices set forth in Exhibit C are not subject to any Discount Pricing. For the avoidance of doubt, the credits for the Discount Pricing will be applied based on the credit application models for each applicable model set forth in Exhibit F.

6.3 Price Protection. Prices are subject to increase during the term of this Agreement consistent with the CRU Pricing Escalation Plan attached as Exhibit G (the "**CRU Pricing Escalation Plan**"). Any escalation beyond that reflected in the CRU Pricing Escalation Plan must be expressly agreed in a written amendment signed by Buyer. Any agreed increase will apply only prospectively to Orders that have not been released to manufacturing.

6.4 Invoicing. Supplier will issue invoices in accordance with the payment schedule set forth in Section 6.5 unless the Parties expressly agree otherwise. Each invoice must:

(a) reference this Agreement and the applicable PO Number; and

(b) match the Products, quantities, prices, and other terms in the Order.

6.5 Payment Terms. Buyer shall pay on invoiced amounts within thirty (30) days of receipt of Supplier's invoice. Unless otherwise stated in the order, invoices will be issued and payment made in the following applicable increments:

(a) For Products:

(i) 30% of the applicable material sale price upon Supplier's acceptance of an Order;

(ii) 10% of the applicable material sale price upon Supplier's receipt of completed and approved shop drawings; and

(iii) 60% of the applicable material sale price upon Supplier's shipment of the Products specified in an Order.

(b) For Installation Services:

(i) 90% of the applicable installation sale price upon Supplier's (or its subcontractor's) completion of the Installation Services applicable to an Order; and

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(ii) 10% upon substantial completion of the project and training and commissioning completed.

6.6 Taxes. Supplier is responsible for all taxes based on its income, property, or employment obligations. Buyer is responsible for applicable sales, use, or similar transaction taxes that are (a) required by law, (b) separately stated on an invoice, and (c) not subject to a valid exemption. Supplier will cooperate with Buyer to obtain any available exemptions, reductions, or refunds.

6.7 Lien Waivers. As a condition precedent to any payment under this Agreement, Supplier shall deliver to Purchaser duly executed conditional lien waivers and releases (including conditional waivers upon progress payment and conditional waivers upon final payment, as applicable) in a form reasonably acceptably to Buyer and compliant with applicable law, covering the full amount of such requested payment and releasing all mechanic's, materialman's, and similar lien rights of Supplier with respect to the Products through the effective date of such payment. Within five (5) business days of Supplier's receipt of final payment, Supplier shall deliver to Buyer duly executed unconditional lien waivers and releases. Supplier shall be solely responsible for obtaining and delivering corresponding conditional and unconditional lien waivers from all subcontractors, sub-suppliers, and lower-tier parties furnishing labor, materials, equipment, or services through Supplier in connection with the Products or the Installation Services. Buyer may withhold payment until all required lien waivers have been delivered in form and substance reasonably satisfactory to the Buyer and compliant with law.

6.8 Late Payments. If any undisputed invoiced amounts due hereunder are not received by Supplier within thirty (30) days of the due date, then without limiting Supplier's rights or remedies, those charges will accrue late interest at the rate of 1.5% of the outstanding balance per month, or the maximum rate permitted by law, whichever is lower.

7. WARRANTIES

7.1 Product Warranties. Supplier agrees to provide and honor the Limited Warranty attached as Exhibit H, attached hereto and incorporate herein (the "**Limited Warranty**"). Supplier represents and warrants that during the applicable warranty period (as specified in the Limited Warranty):

(a) Products strictly conform to the Specifications and all requirements of this Agreement and the applicable Order;

(b) Products are new, genuine, unused and free from defects in design, materials and workmanship;

(c) Products are fit for their ordinary purposes and a particular purpose disclosed to Supplier by Buyer;

(d) Products are free and clear of all liens, security interests, and other encumbrances and

(e) Products comply with all applicable laws, regulations, standards, and certifications where they are manufactured, delivered, or reasonably expected to be used.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

7.2 Warranty on Installation Services. Supplier warrants that the Installation Services will be performed in a professional and workmanlike manner and in accordance with this Agreement, the Specifications, and applicable law. To the extent that Supplier contracts with a third-party for Installation Services, Supplier is responsible for ensuring that the Installation Services comply with this Section.

7.3 Warranty Remedies. Upon any breach of warranty, Supplier will, at Buyer's option and at Supplier's sole cost and expense shall:

(a) promptly repair the affected Products, including on-site labor and reinstallation if required;

(b) promptly replace the affected Products with conforming Products (including uninstalling non-conforming Products and re-installing conforming Products); or

(c) refund all amounts paid for the affected Products, including associated freight, duties, taxes (to the extent not otherwise refundable to Buyer), and Buyer's reasonable, documented costs for recall, removal, replacement, and disposal.

7.4 Systemic Defects and Recalls. If a defect affects a significant portion of Products or triggers (or may reasonably trigger) a recall, corrective action, or field service campaign, Supplier will, at its cost and in coordination with Buyer and within seventy two hours, advise as to a corrective action and remediation plan satisfactory to Buyer, which may include field replacements, recalls, redesign, and other remedial measures and complete the corrective measures agreed upon within fourteen (14) days.

7.5 Survival. Warranties survive inspection, acceptance, payment, resale, and any expiration or termination of this Agreement or any related Orders.

7.6 Additional Warranties. Supplier also represents and warrants that:

(a) it has full power and authority to enter into and perform this Agreement and any Orders;

(b) it has and will maintain all rights, licenses, and approvals necessary to manufacture, sell, and deliver the Products; and

(c) its performance will comply with all applicable laws.

8. INTELLECTUAL PROPERTY RIGHTS

Buyer and Supplier acknowledge and agree that: (a) except to the extent provided in a separate written agreement between Buyer and Supplier, Supplier (or its licensors) will retain all Intellectual Property Rights used to create, embodied in, used in, and otherwise relating to the Products and any of their component parts except for the materials and information provided by Buyer ("Buyer's Confidential and Proprietary Information"); (b) Buyer shall retain all Intellectual Property Rights for Buyer's Confidential and Proprietary Information which shall be the sole and exclusive property of Buyer, (c) Seller shall not acquire any Intellectual Property Rights in any of Buyer's Confidential and Proprietary Information and shall not use Buyer's Confidential and Proprietary Information for any purpose other than for purposes of carrying out the terms of this

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

Agreement; (d) any and all Supplier's Intellectual Property Rights are the sole and exclusive property of Supplier or its licensors; (e) Buyer shall not acquire any ownership interest in any of Supplier's Intellectual Property Rights under this Agreement; (d) and (f) Buyer shall use Supplier's Intellectual Property Rights only in accordance with this Agreement and any instructions of Supplier.

For the purposes of this Section, "**Intellectual Property Rights**" shall mean any patent, utility model, design right, copyright (including any right in computer software), database right or topography right (whether or not any of these are registered and including applications for registrations of any such thing) and any trade secret, know-how or any right or form of protection of a similar nature or having equivalent or similar effect to any of those which may subsist anywhere in the world.

9. INDEMNIFICATION

9.1 Supplier General Indemnity. Supplier will defend, indemnify, and hold harmless Buyer, its affiliates, and their respective officers, directors, employees, and agents from and against all third-party claims, actions, damages, losses, liabilities, fines, penalties, costs, and expenses (including reasonable attorneys' fees) arising out of or related to:

(a) personal injury, death, or property damage caused by the Products or Supplier's acts or omissions;

(b) Supplier's breach of this Agreement, any Order, or any warranty;

(c) Supplier's violation of applicable law; or

(d) any recall, corrective action, or field service campaign to the extent caused by Supplier or the Products.

9.2 Intellectual Property Indemnity. Supplier will defend, indemnify, and hold harmless Buyer and its affiliates from and against any third-party claim that the Products, or Buyer's use, incorporation, sale, or distribution of the Products, infringe or misappropriate any patent, copyright, trademark, trade secret, or other intellectual property right, and will pay all resulting damages, settlements, and reasonable costs and expenses (including attorneys' fees).

9.3 Supplier performing Installation Services shall provide certificates of insurance demonstrating compliance with the Insurance Requirements contained in the Order.

9.4 Limitation of Liability.

(a) IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT THE PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

(b) IN NO EVENT SHALL SUPPLIER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE GREATER OF (A) THE TOTAL OF THE AMOUNTS PAID TO SUPPLIER PURSUANT TO THIS AGREEMENT IN THE TWELVE (12) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM; (B) THE COVERAGES AFFORDED BY THE INSURANCE REQUIRED UNDER SECTION 10 OF THIS AGREEMENT.

10. INSURANCE

10.1 During the Term of this Agreement and for a period of not less than five (5) years thereafter with respect to completed operations and professional services, Supplier shall procure and continuously maintain, at its sole cost and expense the coverages required herein and as may be modified in a subsequent Order. Supplier is responsible for providing Certificates of Insurance reflecting coverages required under this Agreement and any Order for itself and any subcontractors supplying materials and/or performing Installation Services under this Agreement.

10.2 Commercial General Liability Insurance. Written on an occurrence basis, including coverage for bodily injury, personal and advertising injury, property damage, products and completed operations, contractual liability (including this Agreement), broad form property damage, explosion, collapse and underground hazards (if applicable), with limits of not less than $1,000,000 per occurrence and $2,000,000 general aggregate.

10.3 Umbrella/Excess Liability Insurance. Written on a following form basis over the Supplier's Commercial General Liability Insurance and Automobile Liability Insurance with limits of not less than $10,000,000 per occurrence and in the aggregate.

10.4 Automobile Liability Insurance. Covering owned, hired, non-owned, and leased vehicles used in connection with the Services, with limits of not less than $1,000,000 combined single limit per accident.

10.5 Workers' Compensation and Employers' Liability Insurance. Workers' Compensation as required by applicable law, and Employers' Liability with limits of not less than $1,000,000 per accident, $1,000,000 disease-policy limit, and $1,000,000 disease-each employee.

10.6 Manufacturer's Errors and Omissions Insurance. Covering claims arising from any professional services, advice, designs, specifications, or recommendations provided under this Agreement, including negligent acts, errors, or omissions, with limits of not less than **$2,000,000 per claim and $2,000,000 aggregate**, maintained continuously for not less than five (5) years following completion of the Services.

10.7 Supplier agrees to include Buyer and any Owner (or other 3rd party specified in an Order) as an Additional Insured with a waiver of subrogation.

11. CONFIDENTIALITY

11.1 Confidential Information. Any non-public information disclosed by either Party to other Party in connection with this Agreement or any Order that is marked as confidential

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

or would reasonably be understood as confidential given its nature and the circumstances of disclosure is "**Confidential Information**."

11.2 Obligations. The Party receiving the Confidential Information agrees to:

(a) use Confidential Information solely as necessary to perform its obligations under this Agreement and Orders;

(b) not disclose Confidential Information to any third party except to its employees, contractors, or professional advisers who have a need to know and are bound by obligations at least as protective; and

(c) protect Confidential Information using at least the same degree of care it uses to protect its own similar information, and in any event not less than reasonable care.

11.3 Exclusions. Confidential Information does not include information that the receiving Party can demonstrate: (a) is or becomes publicly known without breach; (b) was lawfully known to the receiving Party before disclosure; (c) is received from a third party without breach of any duty of confidentiality; or (d) is independently developed without use of Confidential Information.

11.4 Compelled Disclosure. The receiving Party may disclose Confidential Information to the extent required by law or court order, provided it (to the extent legally permitted) gives the disclosing Party prompt notice and cooperates in seeking protective measures.

11.5 Return or Destruction. Upon the disclosing Party's request or termination/expiration of this Agreement, the receiving Party will promptly return or destroy all Confidential Information, except for minimal archival copies retained solely for legal or compliance purposes.

11.6 Survival. Confidentiality obligations survive expiration or termination of this Agreement.

12. TERM AND TERMINATION

12.1 Term. This Agreement begins on the Effective Date and continues for an initial term of two (2) years, unless earlier terminated as provided below. It automatically renews for successive one (1) year periods unless either Party gives at least thirty (30) days' prior written notice of non-renewal.

12.2 Termination for Convenience by Buyer. Buyer may terminate this Agreement, in whole or in part, for its convenience at any time upon sixty (60) days' written notice. If the Agreement is terminated pursuant to this Section 12.2, Buyer will pay Supplier (a) for conforming Products delivered and accepted before the effective termination date, and (b) Supplier's reasonable, documented, non-cancellable direct costs incurred in reliance on firm, unmodified Orders, subject to Supplier's duty to mitigate. To the extent that Buyer terminates pursuant to this Section 12.2 prior to ordering a minimum of ten (10) Products, Buyer shall reimburse Supplier for its actual and documented engineering services obtained in reliance on this Agreement Supplier is not entitled to lost profits, loss of business, or other consequential damages.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

12.3 Termination for Cause by Buyer. Buyer may terminate this Agreement or any Order immediately upon written notice if:

(a) Supplier fails to deliver Products on time or in the required quantities and does not cure within five (5) days after written notice from Buyer or such other reasonable timeframe as may be agreed upon in writing by the Parties (the "**Cure Period**");

(b) Supplier delivers Nonconforming Products and fails to promptly cure within the Cure Period;

(c) Supplier becomes insolvent, enters bankruptcy, makes a general assignment for the benefit of creditors, or ceases to operate in the ordinary course; or

(d) Supplier materially breaches this Agreement or an Order and does not cure within the Cure Period.

12.4 Termination by Supplier (Limited). Supplier may terminate this Agreement or any Order immediately upon written notice, only in the event of Buyer's material failure to pay undisputed amounts due under this Agreement that remain unpaid for more than thirty (30) days after Supplier's written notice of delinquency. Supplier shall not be permitted to terminate in the event Buyer becomes insolvent, enters bankruptcy, makes a general assignment for the benefit of creditors or ceases to operate in the ordinary course provided that within a reasonable period of time Buyer assigns this Agreement to a creditor or an affiliate.

12.5 Effect of Termination. Termination of this Agreement will not automatically cancel existing accepted Orders unless Buyer expressly elects to cancel them. Sections that by their nature should survive (including payment obligations, warranties, indemnities, confidentiality, governing law, and dispute resolution) will survive any expiration or termination.

13. COMPLIANCE WITH LAWS

Supplier will comply with all applicable laws, rules, and regulations, including those related to labor and employment, health and safety, environmental protection, product safety, data protection, import/export, sanctions, and anti-bribery/anti-corruption. Further, Supplier shall comply with all applicable Airport requirements set forth in the Order.

14. GOVERNING LAW; JURISDICTION AND DISPUTE RESOLUTION

14.1 Governing Law. This Agreement and any dispute arising out of or related to this Agreement or any Order will be governed by the laws of the State of Texas, without regard to conflict of laws rules.

14.2 Venue. The Parties submit to the exclusive jurisdiction and venue of the state and federal courts located in Harris County, Texas. The Parties waive any objection based on inconvenient forum.

14.3 Injunctive Relief. Nothing in this Section limits either Parties' right to seek interim, injunctive, or other equitable relief in any court of competent jurisdiction to prevent or

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stop any breach of confidentiality, intellectual property, or other obligations that may cause irreparable harm.

14.4 Good Faith Negotiation. Before initiating litigation (other than for urgent injunctive relief), the Parties will attempt in good faith to resolve disputes through negotiations between senior representatives over a period of at least ten (10) days.

15. GENERAL

15.1 Independent Contractors. The Parties are independent contractors. Nothing in this Agreement creates a partnership, joint venture, or agency relationship, and neither Party may bind the other.

15.2 Assignment and Subcontracting. Supplier may not assign this Agreement or any Order, in whole or in part, without Buyer's prior written consent; provided, however, that Supplier may subcontract the performance of any of its duties or obligations under this Agreement for limited tasks related to logistics and the Installation Services subject to Buyer's prior consent which shall not be unreasonably withheld, while Supplier remains fully responsible. Supplier will provide notice to Buyer of any such subcontracting and provide Buyer a copy of the applicable subcontract. Buyer may assign this Agreement and any Orders, without Supplier's consent, to any affiliate of Buyer.

15.3 Force Majeure. Neither Party will be liable for failure or delay in performance (other than payment obligations) to the extent caused by events beyond its reasonable control that could not have been prevented or mitigated through commercially reasonable contingency planning ("**Force Majeure Events**"). The affected Party will promptly notify the other, use diligent efforts to mitigate and resume performance, and, if a Force Majeure Event continues for more than thirty (30) days, Buyer may cancel affected Orders or terminate this Agreement without liability.

15.4 Notices. All notices must be in writing and delivered by hand, reputable overnight courier, or certified mail (return receipt requested) to the addresses first written above (or any updated address notified in writing). Notices are effective on receipt or, if delivery is refused, on first attempted delivery.

15.5 Entire Agreement; Amendments. This Agreement (including its Exhibits) and Orders issued under it constitute the entire agreement between the Parties regarding the subject matter and supersede all prior or contemporaneous agreements and communications. Any amendment or modification must be in writing and signed by authorized representatives of both Parties.

15.6 Severability. If any provision is held invalid or unenforceable, the remaining provisions will remain in full force, and the Parties will replace the invalid provision with a valid provision that most closely reflects their original intent.

15.7 Waiver. A waiver of any provision or breach is effective only if in writing and signed by the waiving Party, and is not a waiver of any other provision or breach.

15.8 Third-Party Beneficiary. There are no intended third-party beneficiaries to this agreement except the Owner(s) as identified in the applicable Order.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

15.9 Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, each deemed an original, together constituting one instrument. Signatures delivered electronically (including via PDF or e-signature platforms) are binding as originals.

[*Remainder of page intentionally left blank; signature page follows*]

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

IN WITNESS WHEREOF, the parties have executed this Master Purchase Agreement as of the dates set forth below, to be effective as of the Effective Date.

BUYER:

ASCEND AVIATION SERVICES LLC

Signed by:

By: Phil Amos
41F8E369AB154C2...

Name Phil Amos

Title Head of Construction

Date: 2/11/2026

SUPPLIER:

DOOR ENGINEERING AND MANUFACTURING, LLC

By: Hal Shapiro

Name: Hal Shapiro

Title: President, C&I

Date: February 9, 2026

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

EXHIBIT A – FORM OF ORDER

Pursuant to Master Purchase Agreement dated _____ between
Ascend Aviation Services LLC (Buyer) and [INSERT SUPPLIER]

ORDER DETAILS

Order No. _____

Order Date: _____

Bill to:

[SH SPV]
c/o Sky Harbour LLC
136 Tower Rd., Suite 205
White Plains, NY 10604

Delivery Location:

Installation Location (*if different than Delivery Location*):

PRODUCTS/PRICING/DELIVERY DATE

Line	Product/Description	Part No.	Qty	Unit Price (USD)	Line Total (USD)	Required Delivery Date

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

Line	Product/Description	Part No.	Qty	Unit Price (USD)	Line Total (USD)	Required Delivery Date

Installation Schedule:

Subtotal:_____

Shipping & Handling (if any):_____

Taxes (if applicable):_____

Total Order Amount (USD):_____

Supplier agrees to comply with all applicable Airport Specific Requirements annexed hereto.

BUYER:

ASCEND AVIATION SERVICES LLC

By:_____

Name_____

Title_____

Date:_____

SUPPLIER:

DOOR ENGINEERING AND MANUFACTURING, LLC

By:_____

Name:_____

Title:_____

Date:_____

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

EXHIBIT B – Product Specifications

[Attached]

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

SH-37- Sky Harbour (2025) Hangar Door Scope- (All locations except ORL)

OPTION A- BASE
H-Series, "Smart Rail", Model HWB840, 8-Section, Bi-Parting, All Left or All Right bottom rolling hangar door system. *Note: Details will vary based on exact size of opening. Scope below:

H - Series, Model HWB840: eight-section (8), 3 way, side & bi-parting hangar door, (northern stacked) electrically operated, bottom rolling hangar door to fit an opening 248'-0" wide by 30'-0" high. This hangar door design uses no pockets, either the door sections stack all right or all left. When the doors are completely stacked, the minimum clear opening is 183'-2" wide by 30'-0" high.

Door sections 1, 4, 5 and 8 have operator assemblies within the door framing. Electrical power to these operator assemblies is given by the use of an interior mounted electrical feed rail system that provides the power to both the center door sections (4 and 5). The incoming power for door sections 1 and 8 is provided by a draped SO electrical cord coming from either center door sections 4 or 5. Doors can be operated by the door-mounted push-button stations.

The Model HWB840 "3 Way, Side & Bi-Parting Hangar Doors" design provides better flexibility in moving aircraft in or out of each hangar bay. Operating door section number 1 will move door section 2, then door section 3 which parks in front of door section 4, allowing aircraft to move in on one side of the bay without having to move aircraft already in the hangar bay. Operating door section number 8 will move door section 7, and door section 6 which parks in front of door section 5. Another feature is by using the past center override push-button you can stack all the door sections to either side of the hangar providing a clear "off set" width opening.

Note: Our door system will come to the jobsite in factory fabricated modular assemblies with the weather seals attached. WE INCLUDE ALL THE ELECTRICAL COMPONENTS! CONDUIT, FITTINGS, JUNCTION BOXES WIRE RACEWAYS, LIMIT SWITCHES AND THEIR CAM ASSEMBLIES, THE OPERATORS ARE FACTORY FABRICATED WITH THE PRE-WIRED ELECTRICAL CONTROL PANELS COMPLETE!. . .An electrician will only need to provide the labor to connect all the components to the appropriate locations. Our bottom rail assemblies are FACTORY FABRIATED

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

USING A JIG TABLE and welded with no need for pre-cast thread rod or bolts. In addition, our top track assemblies are manufactured the same way, leaving little field work and ensuring accurate field locations.

H-Series, Model HWB840: Bottom Rolling Hangar Door Specification:

- Meets 115 mph, 3-Second Gust, Exposure C wind load. Meets enclosed-building wind load criteria for the project location in the closed position (detailed loading information will be provided with each submittal drawing set) and L/120 deflection criteria per International Building Code for flexible cladding.
- Meets 8.0 psf (ASD) operating wind load.
- Electrical rating: Incoming power for hangar door - 480vac, 3 phase, 60 Hz. Interior - NEMA 4
- Door operation speed: 45 feet per minute.
- Horsepower: (door sections 1, 4, 5 and 8) – 1.00
- Door section size: Structural Steel 10" thick - 31'-2" wide by 30'-3 3/4" high.
- Centerline of door/bottom rail/top track spacing is 17"
- Door section weight without sheeting = 5,600 lbs.
- Door section weight sheeted = 7,600 lbs. (Est. door section weight sheeted (by others) interior horizontally mounted/exterior vertically mounted using 26 gauge 1 1/4" profile corrugated sheeting.)

This hangar door proposal includes (Per our standard design):

- The door sections fabricated of A-36 structural steel vertical and horizontal frame members, bracing with sheeting support girts, shipped in factory fabricated modular assemblies.
- Included in each door section is a rough framed opening at 4'-0" wide by 20'-0" high for windows (windows, framing and related hardware by others). *Note: Verify opening size.
- Telescoping top roller assemblies designed to accommodate deflections up to 6" down and 5" up.
- Top guide tracks FOUR GUIDE SYSTEM (full width of the door opening), W4x13 wide flange beams, with cross bracing, in factory fabricated JIGGED sub-assemblies, each sub-assembly is 39'-10" long with cross bracing welded to the top guide tracks every 5-feet on center. Note: Bottom of building top track support steel - Locate 31'-6" elevation from top of bottom rail/finish floor.
- Weather screen drop panels.
- Traveling endcaps.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

- Solid steel 13-inch bottom wheel assemblies with tapered roller bearings, 12-inch tread diameter, factory installed.
- Bottom rails FOUR RAIL SYSTEM, (full width of the door opening), 20 pounds per yard, with cross ties and leveling angle clips with kwik-bolt anchors (NO NEED FOR PRE-CASTED THREADED RODS), in factory fabricated JIGGED sub-assemblies, each sub-assembly is 29'-10" long with cross ties welded to the rails every 5-feet on center.
- INCLUDES- the bottom rail grouting forms. . . Used to provide proper grout at rail head for second pour of concrete.
- PERIMETER WEATHER SEALS ATTACHED AT THE FACTORY Vertical weather seals are a bulb type sheet rubber EPDM (Ethylene, Propylene, Diene, and Terpolymer) with a resilient urethane foam core. Head and sill weather seals are flap type sheet rubber EPDM (Ethylene, Propylene, Diene, and Terpolymer).
- OUR FRAMED DROP-IN OPERATORS ARE FACTORY FABRICATED AND COMPLETE. . .Each assembly (located in door sections 1, 4, 5 and 8) includes the electric motor operators (USING SOFT STARTS), which drives a double flange steel wheel on the bottom rail, with integral brake and emergency (QUICK DISCONNECT) manual operation capability. The pre-wired control panel assembly (WITH LOCKABLE DISCONNECT SWITCH) is mounted just above the operator assembly in a recess pan. Controls include magnetic reversing starters, thermal overload protection, control circuit transformer, relays, lockable disconnect switch, and NEMA 4 enclosure. Electrical is 480 VAC, 60 Hz, 3 phase, with 24 VDC controls. *Note: Verify incoming power.
- Pushbutton stations, factory installed.
- Past center override pushbutton.
- Interior mounted pushbutton pendants on door sections 1 and 8 (Open, Close, Override).
- Electrical feed rail system used to bring incoming electrical power to door sections 4 and 5, and draped S/O cord *(note: all SO cord to be white) to bring the incoming electrical power to door sections 1 and 8.
- Remaining electrical components included and shipped loose are:
  - o Exterior mounted electrical recess pan for the junction box with the mounted open and close limit switches.
  - o Run of conduit with fittings.
    - Run for the high voltage incoming electrical power.
    - Run for the control low voltage wiring to the limit switches.
  - o Wire raceways. . .high voltage and numbered to fit the corresponding circuits in the pre-wired control panel and junction boxes.
  - o Wire raceways. . .low voltage and numbered to fit the corresponding circuits in the pre-wired control panel and junction boxes.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

- Open and close limit switches will have their SO Cords *(note: all SO cord to be white) attached shipped loose including the cam assemblies.
- End of travel bumpers, tractor pulls and track cleaners.
- Neoprene cushioned bumper pick-up system. . . Interconnects door sections 1 through 4 and 5 through 8. . . Two groups of 4 door sections.
- All steel is painted using our shop standard fast-dry gray structural steel primer.
- Interface/shop drawings with PE calculations report. . . electronic set: hard copies available upon request.
- Door installation instructions.
- Operation and maintenance manuals.
- Manufacturers standard warranty.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

SH-18- ATC- Sky Harbour (2025) Hangar Door Scope- (All locations except ORL)

OPTION A- BASE
H-Series, Model ATC200, "Around the Corner", Bi-Parting, Trained, bottom rolling hangar door system. Scope below:

H - Series, Model ATC200: Two (2), Multi-panel trained door sections, is bi-parting, (Around the Corner) electrically operated, bottom rolling, top guided hangar door to fit a manually operated swing door jamb to swing door jamb at 114'-0" wide by 30'-0" high.

Each grouped half (Left and Right Half Groups) will have two operator assemblies that are synchronized (one lead and one trail operator) mounted within the door framing. Electrical power to these operator assemblies is given by the use of an electrical feed rail (each power operated panel will have it's own trolley pick-up assembly bringing the electrical power to the operator. The incoming power electrical power is only available when the swing door is in its fully open position. There will be an interlock switch telling the control panel bringing power to the hangar doors electrical feed rail that both of these swing doors are in the fully open position.

Note: Our door system will come to the jobsite in factory fabricated sub-section assemblies with the weather seals attached. Our bottom rail assemblies are factory jigged and welded with no need for pre-cast thread rod or bolts. In addition, our top track assemblies are manufactured the same way, leaving little field work and ensuring accurate field locations.

H-Series, Model AR200: Bottom Rolling Hangar Door Specification:
- Meets 115 mph, 3-Second Gust, Exposure C wind load. Meets enclosed-building wind load criteria for the project location in the closed position (detailed loading information will be provided with each submittal drawing set) and L/120 deflection criteria per International Building Code for flexible cladding.
- Meets 8.0 psf (ASD) operating wind load.
- Electrical rating: Incoming power for hangar door - 480vac, 3 phase, 60 Hz. Interior - NEMA 4
- Door operation speed: 45 feet per minute.
- Horsepower: (dual operators - synchronized) - 0.50
- Door section size: Structural Steel 8" thick - Multi-Panels wide by 30'-3 3/4" high.
- Multi-Panel door section weight without sheeting = 15,600 lbs.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

o Multi-Panel door section weight sheeted = 19,200 lbs. (Est. door section weight sheeted (by others) exterior using 26 gauge 1 1/4" profile corrugated sheeting.)

This hangar door proposal includes (Per our standard design):

- The door sections fabricated of A-36 structural steel vertical and horizontal frame members, bracing with sheeting support girts, shipped in factory fabricated sub-section assemblies.
- Included in each door section is a rough framed opening at 4'-4 1/4" wide by 20'-4 1/4" high for windows (windows, framing and related hardware by others). *Note: Verify opening size.
- Telescoping top roller assemblies designed to accommodate deflections up to - 6" down and 5" up.
- Top guide tracks *TWO GUIDE SYSTEM (full width of the door opening), W4x13 wide flange beams, with cross bracing, in factory fabricated sub-assemblies, each sub-assembly is 39'-10" long with cross bracing welded to the top guide tracks every 5-feet on center. Note: Bottom of building top track support steel - Locate 31'-6" elevation from top of bottom rail/finish floor.
    - o * Second track is to stabilize and provide strength, meeting the wind load requirements.
- Weather screen drop panels (Soffit by Others).
- Solid steel 11 1/2-inch bottom wheel assemblies with tapered roller bearings, 10 3/4-inch tread diameter, factory installed.
- Bottom rails SINGLE RAIL SYSTEM (full width of the door opening), 20 pounds per yard, with cross ties and leveling anchors, in factory fabricated sub-assemblies, each sub-assembly is 29'-10" long with cross ties welded to the rails every 5-feet on center.
- INCLUDES the bottom rail grouting forms. . . Used to provide proper grout at rail head for second pour of concrete.
- Weather seals on vertical edges, sill and head all attached at the factory. Vertical weather seals are a bulb type sheet rubber EPDM (Ethylene, Propylene, Diene, and Terpolymer) with a resilient urethane foam core. Head and sill weather seals are flap type sheet rubber EPDM (Ethylene, Propylene, Diene, and Terpolymer).
- OUR FRAMED DROP-IN OPERATORS ARE FACTORY FABRICATED AND COMPLETE- Dual electric motor operators, per each half group of door sections. Each operator (synchronized) drives a double flange steel wheel on the bottom rail, with integral brake and emergency (quick disconnect) manual operation capability, factory installed in the drop-in framed operator assembly. The pre-wired control panel assembly is mounted just above the operator assembly in a recess pan. Controls include magnetic reversing starters, thermal overload protection, control circuit transformer, relays, lockable disconnect switch, and NEMA 4 enclosure. Electrical is 480 VAC, 60 Hz, 3 phase, with 24 VDC controls.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

- Pushbutton stations, factory installed. NOTE: THE PUSHBUTTONS ARE LOCATED ABOVE EACH OPERATOR. . .WHEN OPERATING THE DOOR TO IT'S OPEN POSITION. . .IT IS RECOMMENDED TO USE THE OPERATOR CLOSEST TO THE WING PANEL AT THE JAMB. THIS GIVES THE PERSONNEL OPERATING THE DOOR A NEAR THAT EDGE OF THE DOOR TO ENSURE A CLEAR PATH AS THE DOOR MOVES TO ITS OPEN POSITION. OPERATING THE DOOR TO THE CLOESD POSITON, AGAIN, THE PERSONNEL SHOULD OPERATE THE DOOR AT THE OPERATOR THAT WOULD BE CLOSEST TO THE CENTER OF THE DOOR OPENING WHEN IN ITS CLOSED POSITION. AGAIN, THIS GIVES THE PERSONNEL OERATING THE DOOR THE CLEAR VIEW OF THE DOOR PATH AS IT MOVES IN THAT DIRECTION.
- Electrical feed rail system (4-conductor) used to bring incoming electrical power to the power operated panels.
- Remaining electrical components included and shipped loose are:
  - o Exterior mounted electrical recess pan for the junction box with the mounted open and close limit switches.
  - o Run of conduit with fittings.
    - Run for the high voltage incoming electrical power.
    - Run for the control low voltage wiring to the limit switches.
  - o Wire raceways. . .high voltage and numbered to fit the corresponding circuits in the pre-wired control panel and junction boxes.
  - o Wire raceways. . .low voltage and numbered to fit the corresponding circuits in the pre-wired control panel and junction boxes.
- Open and close limit switches will have their SO Cords *(note: all SO cord to be white) attached shipped loose including the cam assemblies.
- End of travel bumpers, tractor pulls and track cleaners.
- Upper and lower trained panel hinges.
- All steel is painted using our shop standard fast-dry gray structural steel primer.
- Interface/shop drawings with PE calculations report. . . electronic set: hard copies available upon request.
- Door installation instructions.
- Operation and maintenance manuals.
- Manufacturers standard warranty.

Manually operated swing doors at jambs includes (Per our standard design):

- The door sections fabricated of A-36 structural steel vertical and horizontal frame members, bracing with sheeting support girts, shipped in factory fabricated section assemblies.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

SH-18- HI100- Sky Harbour (2025) Hangar Door Scope- (All locations except ORL)

OPTION C- ALTERNATE
H-Series, Model HI100, Independently Operated, Four-Panel Trained, bottom rolling hangar door system. Scope below:

One (1), H - Series, Model HI100: One-section (1), independently operated, bottom rolling hangar door to fit a rough opening 114'-0" wide by 30'-0" high.

Note: Our door system will come to the jobsite in factory fabricated sub-section assemblies with the weather seals attached. Our bottom rail assemblies are factory jigged and welded with no need for pre-cast thread rod or bolts. In addition, our top track assemblies are manufactured the same way, leaving little field work and ensuring accurate field locations.

H-Series, Model HI100: Bottom Rolling Hangar Door Specification:
o Meets 115 mph, 3-Second Gust, Exposure C wind load. Meets enclosed-building wind load criteria for the project location in the closed position (detailed loading information will be provided with each submittal drawing set) and L/120 deflection criteria per International Building Code for flexible cladding.
o Meets 8.0 psf (ASD) operating wind load.
o Electrical rating: Incoming power for hangar door - 480vac, 3 phase, 60 Hz. Interior - NEMA 4
o Door operation speed: 45 feet per minute.
o Horsepower: (dual operators - synchronized) - 1.50
o Door section size (4 trained panels per section): Structural Steel 10" thick – 136'-2" wide by 30'-3 3/4" high.
o Trained door section weight without sheeting = 24,000 lbs.
o Trained door section weight sheeted = 32,000 lbs. (Est. door section weight sheeted (by others) exterior using 26 gauge 1 1/4" profile corrugated sheeting.)

This hangar door proposal includes (Per our standard design):

- The door sections fabricated of A-36 structural steel vertical and horizontal frame members, bracing with sheeting support girts, shipped in factory fabricated sub-section assemblies.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

- Included in each door section are two (2) rough framed openings at 4'-4 1/4" wide by 20'-4 1/4" high for windows (windows, framing and related hardware by others). *Note: Verify opening size.
- Telescoping top roller assemblies designed to accommodate deflections up to - 6" down and 5" up.
- Top guide track ONE GUIDE SYSTEM (full width of the door opening), W4x13 wide flange beams, with cross bracing, in factory fabricated sub-assemblies, each sub-assembly is 39'-10" long with cross bracing welded to the top guide tracks every 5-feet on center. Note: Bottom of building top track support steel - Locate 31'-6" elevation from top of bottom rail/finish floor.
- Weather screen drop panels (Soffit by Others).
- Solid steel 11 1/2-inch bottom wheel assemblies with tapered roller bearings, 10 3/4-inch tread diameter, factory installed.
- Bottom rails SINGLE RAIL SYSTEM (full width of the door opening), 20 pounds per yard, with cross ties and leveling anchors, in factory fabricated sub-assemblies, each sub-assembly is 29'-10" long with cross ties welded to the rails every 5-feet on center.
- INCLUDES the bottom rail grouting forms. . . Used to provide proper grout at rail head for second pour of concrete.
- Weather seals on vertical edges, sill and head all attached at the factory. Vertical weather seals are a bulb type sheet rubber EPDM (Ethylene, Propylene, Diene, and Terpolymer) with a resilient urethane foam core. Head and sill weather seals are flap type sheet rubber EPDM (Ethylene, Propylene, Diene, and Terpolymer).
- OUR FRAMED DROP-IN OPERATOR IS FACTORY FABRICATED AND COMPLETE- Electric motor operator (USING SOFT STARTS) which drives a double flange steel wheel on the bottom rail, with integral brake and emergency (QUICK DISCONNECT) manual operation capability. The pre-wired control panel assembly (WITH LOCKABLE DISCONNECT SWITCH) is mounted just above the operator assembly in a recess pan. Controls include magnetic reversing starters, thermal overload protection, control circuit transformer, relays, lockable disconnect switch, and NEMA 4 enclosure. Electrical is 480 VAC, 60 Hz, 3 phase, with 24 VDC controls. *Note: Verify incoming power.
- Pushbutton stations, factory installed.
- Electrical feed rail system (4-conductor) used to bring incoming electrical power to the power operated panel.
- Remaining electrical components included and shipped loose are:
  - o Exterior mounted electrical recess pan for the junction box with the mounted open and close limit switches.
  - o Run of conduit with fittings.
    - Run for the high voltage incoming electrical power.
    - Run for the control low voltage wiring to the limit switches.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

o Wire raceways. . .high voltage and numbered to fit the corresponding circuits in the pre-wired control panel and junction boxes.

o Wire raceways. . .low voltage and numbered to fit the corresponding circuits in the pre-wired control panel and junction boxes.

- Open and close limit switches will have their SO Cords *(note: all SO cord to be white) attached shipped loose including the cam assemblies.
- End of travel bumpers, tractor pulls and track cleaners.
- Upper and lower trained panel hinges.
- All steel is painted using our shop standard fast-dry gray structural steel primer.
- Interface/shop drawings with PE calculations report. . . electronic set: hard copies available upon request.
- Door installation instructions.
- Operation and maintenance manuals.
- Manufacturers standard warranty.

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

EXHIBIT C – Material and Installation Pricing Schedule

Total Unit Quantity Per Calendar Year	SH-37 Base (per unit)		
	Material Pricing Schedule (Excludes Freight and Taxes)		
	Material Sale Price (per unit)*	Installation Base Price (per unit) **	Material Qty Discount (per unit)
1-4: Non-Discounted Price*	$293,516.00	$80,000.00	$0.00
5-9	$284,516.00	$80,000.00	-$9,000.00
10-14	$275,016.00	$80,000.00	-$18,500.00
15-19	$270,016.00	$80,000.00	-$23,500.00
20+	$266,516.00	$80,000.00	-$27,000.00

Total Unit Quantity Per Calendar Year	SH-37 High Wind Load (per unit)		
	Material Pricing Schedule (Excludes Freight and Taxes)		
	Material Sale Price (per unit)*	Installation Base Price (per unit) **	Material Qty Discount (per unit)
1-4: Non-Discounted Price*	$378,784.00	$80,000.00	$0.00
5-9	$366,784.00	$80,000.00	-$12,000.00
10-14	$354,784.00	$80,000.00	-$24,000.00
15-19	$348,284.00	$80,000.00	-$30,500.00
20+	$343,784.00	$80,000.00	-$35,000.00

Total Unit Quantity Per Calendar Year	SH-18 ATC200 (per unit)		
	Material Pricing Schedule (Excludes Freight and Taxes)		
	Material Sale Price (per unit)*	Installation Base Price (per unit) **	Material Qty Discount (per unit)
1-4: Non-Discounted Price*	$163,619.00	$65,000.00	$0.00
5-9	$158,119.00	$65,000.00	-$5,500.00
10-14	$153,119.00	$65,000.00	-$10,500.00
15-19	$150,119.00	$65,000.00	-$13,500.00
20+	$148,619.00	$65,000.00	-$15,000.00

Total Unit Quantity Per Calendar Year	SH-18 HI100 (per unit)		
	Material Pricing Schedule (Excludes Freight and Taxes)		
	Material Sale Price (per unit)*	Installation Base Price (per unit) **	Material Qty Discount (per unit)
1-4: Non-Discounted Price*	$150,697.00	$65,000.00	$0.00
5-9	$145,697.00	$65,000.00	-$5,000.00
10-14	$141,197.00	$65,000.00	-$9,500.00
15-19	$138,697.00	$65,000.00	-$12,000.00
20+	$137,197.00	$65,000.00	-$13,500.00

Note:
***All orders and invoices will be based on the non-discounted material sale price.**
****Installation Base Price is for non-union, non-prevailing wage labor. Projects requiring Union, Prevailing Wage, Davis Bacon, or other site-specific labor agreements are not included and will be subject to additional costs which are the responsibility of the buyer.**

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

EXHIBIT D – Material Leadtime Schedule

Activity	First Unit Produced of Each Model (Weeks)	Repeat Units of Each Model (Weeks)
Order Review and Acceptance	1	1
Submittal of Design Drawings	3	1
Sky Harbour Initial Approval	2	2
Revise and Resubmit	1	0
Sky Harbour Final Approval	1	0
Drawings for Production	2	1
Quality Control Review	0.5	0.5
Bill of Material Data Input	0.5	0.5
Supply Chain (material procurement)	7	4
Manufacturing	2.5	1.5
Ship Time	0.75	0.75
Total	**21.25**	**12.25**

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

EXHIBIT E – Installation Scope of Work

Hangar Door Installation for Hangar Doors SH-37, SH-18: Each hangar and hangar door opening must be ready to except the new hangar door. This Installation SOW is intended for a non-union labor, non-prevailing wage labor proposal. Proposals for projects requiring Union, Prevailing Wage, Davis Bacon, or other site-specific labor agreements are not included and may be subject to additional terms and costs, all of which are the responsibility of Buyer. Each Hangar building and hangar door opening must be ready for installation.

Hangar Door Installation:

1. One (1) mobilization per site is included, complete door system to be installed including bottom tracks, coordination of concrete to be coordinated with door installation schedule.
2. Setting the bottom rail assemblies and attaching the bottom rail forms.
    a. After bottom rails are set with the rail forms attached, the second pour of concrete can be made by the concrete contractor.
3. Top track installation.
4. Door sections and weather screen assembly including installation.
5. Installation of the white draped S/O cord and feed rail system.
6. Locating and setting the open and close limit switches.
7. Door testing and final adjustments made if electrical wiring is complete by electrical contractor.
8. Training (qualified personnel...door operation and door maintenance.)
9. Includes all tools, lifting equipment and manlifts.

Exclusions (including, as applicable, related costs and expenses thereto):

1. Unloading the material being supplied (if delivered prior to installation).
2. Building top track support structure.
3. Preparation of the building opening.
4. Bottom rails second pour of concrete
5. Electrical hook up and installation of the electrical conduit runs (by electrical contractor):
    a. Field wiring to the provided end feed on the electrical feed boxes located at the top track assemblies.
6. Interior and exterior sheeting with insulation with corrugated translucent sheeting...
7. Finish paint including and touch-up of the factory finish (if required).
8. Soffit panels if required.
9. Rail heat and drains
10. Any additional insurance or bonds
11. Any state/local contractor or subcontractor licenses
12. Any site-specific permits of FAA fillings

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EXHIBIT F – Discount Pricing Credit Application Models

SH-37 Credit Application Model

Unit # Delivered (Any Combination of Models outline in contract Scope)	Credit Applied to Account Once Delivered Units Qty is reached (Posted within 30days of unit delivery)				
	Credit Applied at time of order (as applicable)	Credit once 5 Units are Delivered	Credit once 10 Units are Delivered	Credit once 15 Units are Delivered	Credit once 20 Units are Delivered
1	$0.00	-$9,000.00	-$9,500.00	-$5,000.00	-$3,500.00
2	$0.00	-$9,000.00	-$9,500.00	-$5,000.00	-$3,500.00
3	$0.00	-$9,000.00	-$9,500.00	-$5,000.00	-$3,500.00
4	$0.00	-$9,000.00	-$9,500.00	-$5,000.00	-$3,500.00
5	-$9,000.00	$0.00	-$9,500.00	-$5,000.00	-$3,500.00
6	-$9,000.00	$0.00	-$9,500.00	-$5,000.00	-$3,500.00
7	-$9,000.00	$0.00	-$9,500.00	-$5,000.00	-$3,500.00
8	-$9,000.00	$0.00	-$9,500.00	-$5,000.00	-$3,500.00
9	-$9,000.00	$0.00	-$9,500.00	-$5,000.00	-$3,500.00
10	-$18,500.00	$0.00	$0.00	-$5,000.00	-$3,500.00
11	-$18,500.00	$0.00	$0.00	-$5,000.00	-$3,500.00
12	-$18,500.00	$0.00	$0.00	-$5,000.00	-$3,500.00
13	-$18,500.00	$0.00	$0.00	-$5,000.00	-$3,500.00
14	-$18,500.00	$0.00	$0.00	-$5,000.00	-$3,500.00
15	-$23,500.00	$0.00	$0.00	$0.00	-$3,500.00
16	-$23,500.00	$0.00	$0.00	$0.00	-$3,500.00
17	-$23,500.00	$0.00	$0.00	$0.00	-$3,500.00
18	-$23,500.00	$0.00	$0.00	$0.00	-$3,500.00
19	-$23,500.00	$0.00	$0.00	$0.00	-$3,500.00
20	-$27,000.00	$0.00	$0.00	$0.00	$0.00

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

SH-37 High Wind Load Credit Application Model

Unit # Delivered (Any Combination of Models outline in contract Scope)	Credit Applied to Account Once Delivered Units Qty is reached (Posted within 30days of unit delivery)				
	Credit Applied at time of order (as applicable)	Credit once 5 Units are Delivered	Credit once 10 Units are Delivered	Credit once 15 Units are Delivered	Credit once 20 Units are Delivered
1	$0.00	-$12,000.00	-$12,000.00	-$6,500.00	-$4,500.00
2	$0.00	-$12,000.00	-$12,000.00	-$6,500.00	-$4,500.00
3	$0.00	-$12,000.00	-$12,000.00	-$6,500.00	-$4,500.00
4	$0.00	-$12,000.00	-$12,000.00	-$6,500.00	-$4,500.00
5	-$12,000.00	$0.00	-$12,000.00	-$6,500.00	-$4,500.00
6	-$12,000.00	$0.00	-$12,000.00	-$6,500.00	-$4,500.00
7	-$12,000.00	$0.00	-$12,000.00	-$6,500.00	-$4,500.00
8	-$12,000.00	$0.00	-$12,000.00	-$6,500.00	-$4,500.00
9	-$12,000.00	$0.00	-$12,000.00	-$6,500.00	-$4,500.00
10	-$24,000.00	$0.00	$0.00	-$6,500.00	-$4,500.00
11	-$24,000.00	$0.00	$0.00	-$6,500.00	-$4,500.00
12	-$24,000.00	$0.00	$0.00	-$6,500.00	-$4,500.00
13	-$24,000.00	$0.00	$0.00	-$6,500.00	-$4,500.00
14	-$24,000.00	$0.00	$0.00	-$6,500.00	-$4,500.00
15	-$30,500.00	$0.00	$0.00	$0.00	-$4,500.00
16	-$30,500.00	$0.00	$0.00	$0.00	-$4,500.00
17	-$30,500.00	$0.00	$0.00	$0.00	-$4,500.00
18	-$30,500.00	$0.00	$0.00	$0.00	-$4,500.00
19	-$30,500.00	$0.00	$0.00	$0.00	-$4,500.00
20	-$35,000.00	$0.00	$0.00	$0.00	$0.00

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SH-18 ATC200 Credit Application Model

Unit # Delivered (Any Combination of Models outline in contract Scope)	Credit Applied to Account Once Delivered Units Qty is reached (Posted within 30days of unit delivery)				
	Credit Applied at time of order (as applicable)	Credit once 5 Units are Delivered	Credit once 10 Units are Delivered	Credit once 15 Units are Delivered	Credit once 20 Units are Delivered
1	$0.00	-$5,500.00	-$5,000.00	-$3,000.00	-$1,500.00
2	$0.00	-$5,500.00	-$5,000.00	-$3,000.00	-$1,500.00
3	$0.00	-$5,500.00	-$5,000.00	-$3,000.00	-$1,500.00
4	$0.00	-$5,500.00	-$5,000.00	-$3,000.00	-$1,500.00
5	-$5,500.00	$0.00	-$5,000.00	-$3,000.00	-$1,500.00
6	-$5,500.00	$0.00	-$5,000.00	-$3,000.00	-$1,500.00
7	-$5,500.00	$0.00	-$5,000.00	-$3,000.00	-$1,500.00
8	-$5,500.00	$0.00	-$5,000.00	-$3,000.00	-$1,500.00
9	-$5,500.00	$0.00	-$5,000.00	-$3,000.00	-$1,500.00
10	-$10,500.00	$0.00	$0.00	-$3,000.00	-$1,500.00
11	-$10,500.00	$0.00	$0.00	-$3,000.00	-$1,500.00
12	-$10,500.00	$0.00	$0.00	-$3,000.00	-$1,500.00
13	-$10,500.00	$0.00	$0.00	-$3,000.00	-$1,500.00
14	-$10,500.00	$0.00	$0.00	-$3,000.00	-$1,500.00
15	-$13,500.00	$0.00	$0.00	$0.00	-$1,500.00
16	-$13,500.00	$0.00	$0.00	$0.00	-$1,500.00
17	-$13,500.00	$0.00	$0.00	$0.00	-$1,500.00
18	-$13,500.00	$0.00	$0.00	$0.00	-$1,500.00
19	-$13,500.00	$0.00	$0.00	$0.00	-$1,500.00
20	-$15,000.00	$0.00	$0.00	$0.00	$0.00

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

SH-18 HI100 Credit Application Model

Unit # Delivered (Any Combination of Models outline in contract Scope)	Credit Applied to Account Once Delivered Units Qty is reached (Posted within 30days of unit delivery)				
	Credit Applied at time of order (as applicable)	Credit once 5 Units are Delivered	Credit once 10 Units are Delivered	Credit once 15 Units are Delivered	Credit once 20 Units are Delivered
1	$0.00	-$5,000.00	-$4,500.00	-$2,500.00	-$1,500.00
2	$0.00	-$5,000.00	-$4,500.00	-$2,500.00	-$1,500.00
3	$0.00	-$5,000.00	-$4,500.00	-$2,500.00	-$1,500.00
4	$0.00	-$5,000.00	-$4,500.00	-$2,500.00	-$1,500.00
5	-$5,000.00	$0.00	-$4,500.00	-$2,500.00	-$1,500.00
6	-$5,000.00	$0.00	-$4,500.00	-$2,500.00	-$1,500.00
7	-$5,000.00	$0.00	-$4,500.00	-$2,500.00	-$1,500.00
8	-$5,000.00	$0.00	-$4,500.00	-$2,500.00	-$1,500.00
9	-$5,000.00	$0.00	-$4,500.00	-$2,500.00	-$1,500.00
10	-$9,500.00	$0.00	$0.00	-$2,500.00	-$1,500.00
11	-$9,500.00	$0.00	$0.00	-$2,500.00	-$1,500.00
12	-$9,500.00	$0.00	$0.00	-$2,500.00	-$1,500.00
13	-$9,500.00	$0.00	$0.00	-$2,500.00	-$1,500.00
14	-$9,500.00	$0.00	$0.00	-$2,500.00	-$1,500.00
15	-$12,000.00	$0.00	$0.00	$0.00	-$1,500.00
16	-$12,000.00	$0.00	$0.00	$0.00	-$1,500.00
17	-$12,000.00	$0.00	$0.00	$0.00	-$1,500.00
18	-$12,000.00	$0.00	$0.00	$0.00	-$1,500.00
19	-$12,000.00	$0.00	$0.00	$0.00	-$1,500.00
20	-$13,500.00	$0.00	$0.00	$0.00	$0.00

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

EXHIBIT G – CRU Pricing Escalation Plan

CRU Pricing Escalator		
Index Reference:	https://www.barchart.com/futures/quotes/HV*0/overview	
CRU change %	**Adjusted CRU index**	**% of Door Material Price**
<-55%	**TBD**	**0.25*(CRU change %)**
-55%	402	**-13.8%**
-45%	491	**-11.3%**
-35%	580	**-8.8%**
-25%	670	**-6.3%**
-15%	759	**-3.8%**
0%	**893** **Set on Quote Date**	**0.0%**
15%	1027	**3.8%**
25%	1116	**6.3%**
35%	1206	**8.8%**
45%	1295	**11.3%**
55%	1384	**13.8%**
>55%	TBD	**0.25*(CRU change %)**

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

EXHIBIT H – Limited Warranty

[Attached]

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

Senneca Holdings
9075 Centre Pointe Drive, Suite 100
West Chester, OH 45069
www.senneca.com | contactus@senneca.com

LIMITED WARRANTY

Door Engineering and Manufacturing, LLC (hereby referred to as Company) warrants that all products manufactured by it shall be free from defects in materials and workmanship for a period up to five (5) years from thirty (30) days of the date of shipment of product from Company. Company's obligation under said warranty is to cover the door and mechanical components for five (5) years, liquid & prime paint one (1) year (excluding fading and normal wear per paint manufacturers guidelines), electrical and safety components for one (1) year, weather seals and brake pads for one (1) year, and labor for one (1) year. Materials will be covered in the repair or replacement of products proven to be defective in material or workmanship.

Under said warranty, Company must receive back supposed defective part within thirty (30) days of discovery and allowed to properly investigate part to determine if defective. If said part is proven to not be defective, said warranty will not be applicable and Partner will be responsible for all costs incurred. Said warranty excludes any materials which require repair or replacement due to normal wear and operation or abuse.

This limited warranty excludes any Product defects or failures caused after shipment by:

- Improper installation (including, without limitation, misalignment),
- Use in improper applications or conditions or in conjunction with improper materials (including, without limitation, improper lubricants, pastes, solvents or sealants),
- Contact with aggressive chemical agents,
- Structural shifting of building,
- U.V. degradation,
- Failure to adhere to Company's instructions concerning the proper handling, installation, and use of the Product,
- Failure to adhere to applicable standards set forth by local laws, codes, or regulations and the applicable industry standards, or
- Any other improper activities not listed above or damage caused by the fault or negligence of anyone other than Company.

It is the customer's responsibility to properly maintain the doors per the manufacturers Operation and Maintenance manual with supporting service documents. This includes regular service intervals, washing of the door system (mild detergent and indirect pressure), keeping them free of contaminates and chemicals, maintaining all caulking, seam seals, and touching up of scratches, nicks, or abrasions. Any areas being touched up larger than ¼" requires notification within 10 days of discovery.

LIMITATION OF LIABILITY

THE WARRANTIES IN THIS LIMITED WARRANTY ARE THE ONLY WARRANTIES APPLICABLE TO THE PRODUCTS. THERE ARE NO OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT TO THE PRODUCTS SUPPLIED HEREUNDER INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. ALL SUCH WARRANTIES ARE HEREBY SPECIFICALLY DISCLAIMED COMPANY SHALL NOT BE LIABLE IN THIS RESPECT NOTWITHSTANDING COMPANY'S ACTUAL KNOWLEDGE OF THE PRODUCT'S INTENDED USE OR ANY ADVICE OR REPRESENTATIONS THAT MAY HAVE BEEN RENDERED BY DOOR ENGINEERING CONCERNING THE DESIGN, MANUFACTURE, FABRICATION, SALE, USE, INSTALLATION OR PROVISION OF THE PRODUCTS. NO STATEMENT,

Docusign Envelope ID: B766F3D8-F7D7-44C7-BA14-B61A6DC6C61B

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9075 Centre Pointe Drive, Suite 100
West Chester, OH 45069
www.senneca.com | contactus@senneca.com

CONDUCT OR DESCRIPTION BY COMPANY OR ITS REPRESENTATIVES, IN ADDITION TO OR BEYOND THIS LIMITED WARRANTY, SHALL CONSTITUTE A WARRANTY.

THE SOLE AND EXCLUSIVE REMEDY FOR BREACH OF THIS LIMITED WARRANTY, AND THE SOLE AND EXCLUSIVE OBLIGATION OF COMPANY IN RESPECT OF ANY CLAIMS FOR BREACH OF THIS LIMITED WARRANTY, SHALL BE, AT COMPANY'S SOLE DISCRETION, (1) THE REPLACEMENT OF THE SAME TYPE, SIZE AND LIKE QUANTITY OF NON-DEFECTIVE PRODUCT, AT THE ORIGINAL POINT OF DELIVERY, OR CREDIT, OR A COMBINATION THEREOF, FOR THE WHOLESALE PURCHASE PRICE OF THE DEFECTIVEPRODUCT. IN NO EVENT SHALL COMPANY BE LIABLE FOR PERSONAL INJURY, LOST PROFITS, LOSS OF GOODWILL, LOSS OF BUSINESS OPPORTUNITIES, DAMAGE TO REPUTATION, SPECIAL DAMAGES, INDIRECT DAMAGES, DELAY DAMAGES, PUNITIVE DAMAGES, EXEMPLARY DAMAGES, CONSEQUENTIAL DAMAGES OR INCIDENTAL DAMAGES, INCLUDING WITHOUT LIMITATION ANY COSTS INCURRED IN CONNECTION WITH THE REMOVAL OR REINSTALLATION OF ALLEGEDLY DEFECTIVE PRODUCTS.

CLAIMS

Every claim under this warranty shall be void unless it is made in writing and received by Company within thirty (30) days of the date the defect was discovered and, in any event, within one (1)year of the date of invoice. Claims for Product defects that affect the appearance of the Product, such as U.V. degraded Product, however, must be made within thirty (30) days of the date of the receipt of the Product. No claim under this limited warranty will be valid unless (1) proof of purchase with the date thereof as well as a description of the alleged defect in reasonable detail is presented to the satisfaction of Company, (2) written permission and/or a Return Material Authorization (RMA) is obtained from Door Engineering, (3) Company is given an opportunity to inspect the allegedly defective Product and (4) at Company's request, representative samples of the allegedly defective Product are returned to Company in accordance with Company's instructions.

GENERAL

In the event that any provision of this limited warranty is held to be illegal or unenforceable by any court of competent jurisdiction, the remaining provisions of this limited warranty shall remain in full force and effect. This limited warranty shall be governed by the laws of the Minnesota, without regard to such state's conflicts of law principles that would require the application of the law of any other jurisdiction. Any and all disputes arising out of or relating to this limited warranty shall be subject to the exclusive jurisdiction of the state or federal courts located in the state of Minnesota or, at Company's sole election, to binding arbitration before a single arbitrator pursuant to the American Arbitration Association's Commercial Dispute Resolution Procedures, with such arbitration to take place in the state of Minnesota. Company reserves the right to revise this Limited Warranty and Limitation of Liability without notice at any time.

This limited warranty may only be modified or altered in a writing signed by the President of Company.

695 Route 46, Suite 205
Fairfield, NJ 07004
973-227-8100

Cover Letter: 6/25/2026

Robin Mack
Think Dutchess Alliance for Business
3 Neptune Road
Poughkeepsie, NY 12601
robin@thinkdutchess.com

Reference: Aircraft Hanger Development – 70 Citation Drive – Wappingers Falls, NY

Subject: IDA-Labor Policy Exemption Request
Trade/Subcontractor: Pre-Engineered Metal Building (PEMB) Erection
Installed by: **Trimak Building Systems**

Ms. Mack,

Please review the exemption request for the above referenced trade contractor based on the following allowable exemption reason:

- Exemption Reason: Specialized construction for which qualified Local Workforce Area workers are not available

We are unaware of any qualified local workforce area companies that erect long span pre-engineered metal buildings (exceeding 260' spans). Trimak Building Systems brings over 20 years of PEMB erection experience and have erected over 50 aircraft hangers. Since the start of 2025 they have erected 15 aircraft hangers across the country. Trimak carries extended installation warranties on the PEMB's as well as the roof and wall panels. They are a traveling trade with a specific workforce that allows them to erect the buildings in the most cost-effective and efficient manner.

It is for the above reasons that we respectfully request an exemption to the IDA Local Labor Policy for this trades work on the project.

Should you have any questions, please feel free to contact me.

Sincerely,

Kyle Rosser
Senior Project Manager
RC Andersen

CC: David Sherman – Sky Harbour

695 Route 46, Suite 205
Fairfield, NJ 07004
973-227-8100

Cover Letter: 6/25/2026

Robin Mack
Think Dutchess Alliance for Business
3 Neptune Road
Poughkeepsie, NY 12601
robin@thinkdutchess.com

Reference: Aircraft Hanger Development – 70 Citation Drive – Wappingers Falls, NY

Subject: IDA-Labor Policy Exemption Request
Trade/Subcontractor: Plumbing
Installed by: **Contemporary Plumbing**

Ms. Mack,

Please review the exemption request for the above referenced trade contractor based on the following allowable exemption reason:

- Exemption Reason: Significant cost differentials

Contemporary Plumbing has provided pricing as a non local contractor for the project. Local pricing was obtained from Elite Plumbing and was unable to be lowered to meet the 10% cost differential based on the total project cost. In addition, MDS HVAC-R Inc and RF Lineage Plumbing and Heating declined to bid the project via email response.

It is for the above reasons that we respectfully request an exemption to the IDA Local Labor Policy for this trades work on the project.

Should you have any questions, please feel free to contact me.

Sincerely,

Kyle Rosser
Senior Project Manager
RC Andersen

CC: David Sherman – Sky Harbour

Sky Harbour

Prepared by RC Andersen

Project Location: 70 Citation Drive Wappingers Falls, NY

22 00 00: Plumbing	Contemporary Plumbing			Elite Plumbing		
Base Bid	**$737,000**			**$1,186,000**		
LINE ITEMS	Unit	Unit Cost	Total Cost	Unit	Unit Cost	Total Cost
Plumbing			**$737,000**			**$1,186,000**
Misc. Material			$737,000			$1,058,000
- Cleanouts			included			included
- Trap Guards			included			included
- Floor Sinks			included			included
- Floor Drains			included			included
- Wall Hydrant			included			included
- Hose Bibs			included			included
- Eye Wash			included			included
- Mixing Valves			included			included
- Backflow Preventer 2"			included			included
- Circulating Pump			included			included
- Insulation			included			included
- Cleanouts (Floor and Wall)			included			included
- Trap Primers			included			included
- Expansion Tanks			included			included
- Hot Water Heaters			included			included
- Water Meter, RPZ, PRV (Supply of Meter by others)			included			included
- Trench Drain			included			included
Fixtures			included			included
- WC-1			included			included
- LS-1 with faucet			included			included
- LS-3 with faucet			included			included
- CS-3 with faucet			included			included
- SH-1 Kit with accessories			included			included
- MS-1			included			included
- EWC-1			included			included
- SS-1 with faucet			included			included
Piping			included			included
- Domestic - 1/2" to 2" Copper			included			included
- Vent - 2" and 4" PVC			included			included
- Sanitary - 2" to 8" PVC to 5' outside bldg.			included			included
- Storm - 4", 8" and 16" PVC to 5' outside bldg.			included			included
- Gas - 3/4" to 1.5"			included			included
Excavation and Backfill			included			$128,000
GENERAL						
Tax		YES			YES	
Mobilization		YES			YES	
Submittals		YES			YES	
NY Insurance		YES			YES	
Closeout Docs		YES			YES	
Equipment and Lifts						
Base Bid Total			**$737,000**			**$1,186,000**

CONTEMPORARY
PLUMBING & HEATING
973-872-9672
Contemporary Plumbing & Heating Inc of NJ

23 Bloomfield Avenue • Pinebrook, NJ 07058 • Phone: 973-872-9672
Raymond Galizia NJ Master Plumbers License No. 7707 • Nicholas Galizia NJ Master Plumbers License No. 13457

RC Andersen Construction
Phone: 9732278100

Job Address:
263 NEW HACKENSACK ROAD
WAPPINGERS FALLS, NY 12590

Print Date: 6-19-2026

Proposal for 2307 Sky Harbor

Please accept our proposal for the Sky Harbor project, which is located in Wappingers Falls NY . We are grateful for the opportunity to present our proposal to you and I am excited about the possibility of working together on this project. If you have any questions or require further clarification regarding our proposal, please feel free to contact us at your convenience. We eagerly anticipate hearing from you soon.

Misc. Materials

Items	Description	Qty/Unit
Round Number 4700 PROFIT AND OVER HEAD:4701 Profit Overhead		1
FCO-1 JR Smith 4020S06 or equal 3000 Misc Material		9
TD-1 Package MI Fab package 3000 Misc Material	9-MIFAB T1700N-PB-4-8" N/S CONC 19-MIFAB T200-PGF-4-PX-11B-8" 1-MIFAB T1700-CB820-4-S06-8" CONC 2-MIFAB T1700-PEO-4",6",8" NH 19-MIFAB T1700-REB-8" N/S CONC 76-MIFAB T1700N-PB-4-8" N/S CONC 153-NS MIFAB T200-PGF-4-PX-11B-8" 1-MIFAB T1700-CB820-4-S06-8" CONC 2-MIFAB T1700-PEO-4",6",8" NH 153-MIFAB T1700-REB-8" N/S CONC 76-MIFAB T1700N-PB-4-8" N/S CONC 153-MIFAB T200-PGF-4-PX-11B-8" 1-MIFAB T1700-CB820-4-S06-8" CONC 2-MIFAB T1700-PEO-4",6",8" NH 153-MIFAB T1700-REB-8" N/S CONC	1

Items	Description	Qty/Unit
FD-1 TRAP GUARD TRUEBRO 82201 402W 400 PTrap W/Two Valves 3000 Misc Material		4
fs-1 floor sink JRSMITH 3151Y04-12 3000 Misc Material		2
FCO Jr Smith 4020s04 3000 Misc Material		12
FD-1 FLOOR DRAIN MIFAB F1104-C-TS5-1 4"NH 3000 Misc Material		6
FD-1 JR Smith 2005Y 3000 Misc Material		6
NGR02 3000 Misc Material		1
NGR02 3000 Misc Material		13
NGR02 3000 Misc Material		6
WH-1 WALL HYDRANT MIFAB MHY-20 3000 Misc Material		6
EEW-1 EMERGENCY EYEWASH GUARDIAN G1750P 3000 Misc Material		1
EEW-1 THERMOSTATIC MIXING VALVE (GUARDIAN MODEL #G6020). 3000 Misc Material		1
ET-P1 AMTROL ST-5C-DD 3000 Misc Material	check one?	1
DWH-1 BRADFORD WHITE EF-100T-199E-3N 3000 Misc Material		1
DWH-1 THERMOSTATIC MAIXING VALVE 3000 Misc Material	Watts 1" Thermostatic Mixing Valve LFMMVM1-US	1
DWH-2 BRADFORD WHITE LE350S3-3 3000 Misc Material	MIn. EFF Rating NEW (effect price)	1
DWH-2 THERMOSTATIC MAIXING VALVE 3000 Misc Material	Watts 1" Thermostatic Mixing Valve LFMMVM1-US	1
BFP 2” LF909 3000 Misc Material		1
CP-1 Bell & Gossett PL30B 3000 Misc Material		1

Items	Description	Qty/Unit
Watts USG-B Mixing Valve 3000 Misc Material		9 each
Truebro Trap Cover 3000 Misc Material		9

Plumbing Fixtures

Items	Description	Qty/Unit
WC-1 Bowl WATER CLOSET KOHLER K96057-0 HIGHCLIFF ULTRA 3000 Misc Material		6
WC-1 Flushometer KOHLER K10TD00K10-CP MACH TRIPOINT 3000 Misc Material		6
WC-1 OPEN-FRONT TOILET SEAT WITH A SELF-SUSTAINING CHECK HINGES BEMIS 1955000 WHITE ELONGATED 3000 Misc Material		6
LS-1 LAVATORY SINK K-2330-G-0 3000 Misc Material		4
LS-1 Faucet KOHLER K-104S36-SANA-CP/ K-25193-CP 3000 Misc Material		4
LS-1 GRID DRAIN WITH 1-1/4" TAILPIECE 3000 Misc Material		4
LS-3 Faucet KOHLER K77958-4A-?? ?OMPONENTS 1H 3000 Misc Material		2
LS-3 Lav Sink K-2330-G-0 3000 Misc Material		2
LS-3 Soap KOHLER K28293-CP COMPONENTS SOAP 3000 Misc Material		2
LS-3 METAL POP-UP DRAIN WITH 1-1/4" TAILPIECE. 3000 Misc Material		2
CS-3 KOHLER K-25940-NA 3000 Misc Material		1
CS-3 Faucet K-22974-CP/ K-22974-CP 3000 Misc Material		1

Items	Description	Qty/Unit
CS-3 DEARBORN 16 SINK STRAINER WITH A CRUMB CUP AND 1-1/2" TAILPIECE. 3000 Misc Material		1
SH-1 PAN? 3000 Misc Material	EXCLUDE - Nothing spec on plans	3
SH-1 PRESSURE/BALANCE MIXING VALVE KOHLER K8304-KS-NA UNIVERSAL 3000 Misc Material		3
SH-1 KOHLER K-76471-G Hydrorail-S Shower Column Kit 3000 Misc Material		3
SH-1 Kohler Pitch Rite-Temp Valve Trim K-TS74042-4 3000 Misc Material		3
MS-1 FIAT MSB2424 3000 Misc Material		1
MS-1 Faucet FIAT 830AA 3000 Misc Material		1
MS-1 WALL SPLASH GUARDS 3000 Misc Material		1
MS-1 MOP HOLDERS 3000 Misc Material		1
MS-1 RIM GUARDS 3000 Misc Material		1
EWC-1 ELECTRIC WATER COOLER ELKAY LZWS-LRPBM28K 3000 Misc Material		2
SS-1 ELKAY ESSB2319C WALL SER SNK COMP 3000 Misc Material		2
SS-1 ELKAY LK-173 DRAIN 3000 Misc Material		2
SS-1 Faucet ELKAY LK940BR03L2H 3000 Misc Material		2

1000 Mobilization

The mobilization of men and equipment onto project site.

Items	Description	Qty/Unit
Insurance Increase for NY work 4700 PROFIT AND OVER HEAD:4701 Profit Overhead		1

Items	Description	Qty/Unit
Mobilization 1000 Mobilization		1 each
1001 Closeout Docs 1001 Closeout	Cost of Labor to Build Close Out Docs	1 each
1002 Submittals 1002 Submittals	Cost of Labor to Build Submittal Package	1 each

1200 Fixture Piping And Installation

Items	Description	Qty/Unit
1201 Commercial Fixture Installation 1201 Commercial fixture installation	Supply and install waste,vent and water for plumbing fixture.	21 each

1300 Floor Drains

Items	Description	Qty/Unit
1301 Floor Cleanout 1301 Floor Cleanout	Supply and install piping for floor cleanout to be at finished floor height	9 each
1302 Floor Drain 1302 Floor Drain	Supply and install waste and vent piping for floor drain. FD 6 FS 2	8 each
1303 Trap Primers 1303 Trap Primers	Supply and install water line from trap primer to trap, that may dry out.	6 each
1304 Wall Cleanouts 1304 Wall Cleanouts	Supply and install piping for wall cleanout fittings	5 each

1500 Water Heaters

Items	Description	Qty/Unit
1507 Drain Pan 1507 Drain Pan	Supply and install drain pan under hot water heater when ceiling or space below must be protected.	3 each
1508 Electric hot water heater installation 1508 Electric hot water heater		3 each
1509 Holdrite HWH Platform 1509 Drain Pan:HWH Platform	Supply and install steel plate anchored to concrete decking or steel structure to support hot water heater.	1 each
1512 Thermal Expansion Tank 1512 Thermal Expansion tank	Supply labor, equipment and material to install thermal expansion tank on cold water piping in line between the water meter and water heater.	3 each

1600 Copper Domestic Water

Items	Description	Qty/Unit
1602 Water Line .5" 1600 COPPER DOMESTIC WATER	Price per linear ft. of 1/2" copper water lines to specified location.	120 l.f.
1603 Water Line .75" 1600 COPPER DOMESTIC WATER	Price per linear ft of 3/4" copper water lines to specified location.	1,730 l.f.
1604 Water Line 1.0" 1600 COPPER DOMESTIC WATER	Price per linear ft. of 1" copper water line to specified location.	190 l.f.
1606 Water Line 1.5" 1600 COPPER DOMESTIC WATER	Price per linear ft. of 11/2" copper water line to specified location	1,390 l.f.
1607 Water Line 2.0" 1600 COPPER DOMESTIC WATER	Price per linear ft. of 2" copper line to specified location	280 l.f.
1611 Pipe Insulation 3100 Subcontractors		3,750

1900 Hose bibs

Items	Description	Qty/Unit
1901 Frostfree Hose Bibs Wall Hydrants 1901 Frostfree Hosebib	Supply and install frostfree hosebib on exterior of house.	8 each
1902 Hose Bibs Wall Hydrants 1902 Hosebib	Supply and install hosebib connection with vacuum breaker.	2 each

2000 Water meter, PRV, RPZ Installation

Items	Description	Qty/Unit
2001 PRV 2001 PRV on Water Main	Supply labor, equipment and material to shut down domestic water service, disconnect, remove and replace Pressure Reducing Valve (PRV) on water service on building water main.	1 each
2002 RPZ 2002 RPZ	Supply and install RPZ on Water Main	1 each
2003 WATER METER, PRV, RPZ INSTALL 2003 WATER METER, PRV, RPZ INSTALL	Supply labor, equipment and material to install domestic water meter on existing water service in building. Less Meter.	1 each

2100 PVC Sanitary Drain

Items	Description	Qty/Unit
2104 Sanitary 2.0 PVC Drain 2100-2200-2500 PVC	Supply and install 2" PVC piping for plumbing as specified.	110 l.f.
2105 Sanitary 3.0 PVC Drain 2100-2200-2500 PVC	Supply and install 3" PVC piping for plumbing as specified.	30
2106 Sanitary 4.0 PVC Drain 2100-2200-2500 PVC	Supply and install 4" PVC pipe for plumbing as specified.	510 l.f.
2107 Sanitary 6.0 PVC Drain 2100-2200-2500 PVC	Supply and install 6" PVC pipe for plumbing as specified.	30 each
2108 Sanitary 8.0 PVC Drain 2100-2200-2500 PVC	Supply and install 8" PVC pipe for plumbing as specified.	550 each

2200 PVC Sanitary Vent

Items	Description	Qty/Unit
2204 Vent 4.0 PVC 2100-2200-2500 PVC	Supply and install 4" PVC piping for plumbing as specified	120 l.f.
2202 Vent 2.0 PVC 2100-2200-2500 PVC	Supply and install 2" PVC piping for plumbing as specified	380 l.f.

2100 OW PVC Sanitary Drain (2)

Items	Description	Qty/Unit
2106 Sanitary 4.0 PVC Drain 2100-2200-2500 PVC	Supply and install 4" PVC pipe for plumbing as specified.	1,150 l.f.
2505 Storm 08.0" PVC 3000 Misc Material	Supply and install 8" PVC for storm piping system.	110 l.f.
2509 Storm 16.0" PVC 3000 Misc Material	Supply and install 16" PVC for storm piping system.	780 l.f.

2100 PVC INTAKE/EXHAUST

Items	Description	Qty/Unit
2106 Sanitary 4.0 PVC Drain 2100-2200-2500 PVC	Supply and install 4" PVC pipe for plumbing as specified.	120 l.f.

2700 Gas Piping

Items	Description	Qty/Unit
2702 .75" Pipe 2702 Gas piping per ft:3/4" Pipe	Price of 3/4" gas pipe per ft.	970 l.f.
2703 1.0" Pipe 2703 Gas piping per ft:1" Pipe	Price of 1" gas pipe per ft.	90 l.f.
2704 1.25" Pipe 2704 Gas piping per ft:11/4" Pipe	Price of 11/4" gas pipe per ft.	100 l.f.
2705 1.5" pipe 2705 Gas piping per ft:11/2" pipe	Price of 11/2" gas pipe per ft.	500 l.f.
2713 Gas Piping Per Fixture 2713 Gas Pipng Per Fixture	Supply and install gas piping for gas fired appliance and hook pipe with shut off to owners appliance.	21 each

1600 Compressed Air Copper Domestic Water (2)

Items	Description	Qty/Unit
1603 Water Line .75" 1600 COPPER DOMESTIC WATER	Price per linear ft of 3/4" copper water lines to specified location.	900 l.f.
1604 Water Line 1.0" 1600 COPPER DOMESTIC WATER	Price per linear ft. of 1" copper water line to specified location.	1,540 l.f.

2900 Pumps

Items	Description	Qty/Unit
2902 B&G Bronze Pump 2902 Pumps:B&G Bronze Pump	Supplied and installed B&G Bronze Recirculation Pump on domestic hot water system between hot water heater and storage tank.	2 each

3100 Subcontractors

Items	Description	Qty/Unit
3106 Engineering 3100 Subcontractors	Shop drawings	1
3103A Backfill 3103A Backfill	Supply labor, equipment and material to backfill with 3/4" stone 12" around pipe and complete with native materials.	7 each

3200 Rental Equipment

Items	Description	Qty/Unit
3201 Boom Lifts 3201 Boom Lifts Boom Lifts	Boom Lifts	3 each
3202 Excavator 3202 Excavator Excavator	Excavator	2 each
Trecnh roller 3203 Lulls Lull Lifts	Lull Lifts	2 each
3204 Scissor Lift 3204 Scissor Lift Scissor Lifts	Scissor Lifts	2 each
3205 Skid Steer 3205 Skid Steer	Skid Steer	2

3400 Hourly Rates Commercial

Items	Description	Qty/Unit
3403 Labor 3 men 0101 Labor	Trench Drain install	140
3401 Labor 1 Man 0101 Labor	Operator	120 hours

Total price: $737,000.00

The following Item or Items are not included: Permit fees, Saw cutting/Patching of concrete, domestic water meter, de-watering, condensate piping, roof patching, fire caulking, fire suppression protection, painting of any kind, any high or low voltage wiring, Union labor, off hours work.

If you have any questions about this proposal, please feel free to call our office at 973 872 9672.

Thank you,
Raymond Galizia
President

FOR INFORMATION ABOUT CONTRACTORS AND THE CONTRACTOR REGISTRATION ACT, CONTACT THE NEW JERSEY DEPARTMENT OF LAW AND PUBLIC SAFETY, DIVISION OF CONSUMER AFFAIRS AT 1-888-656-6225

I confirm that my action here represents my electronic signature and is binding.

Signature	Name	Date

Elite
Plumbing and Heating Contractors, Inc
198 Coleman Road
Walden, NY 12586

Phone # 845-778-1921
michelle@eliteplumbingandheat.com
https://eliteplumbingandheat.com

Estimate

Date	Estimate #
6/14/2026	2979

Name / Address
RC Anderson Sean Armstrong 695 Route 46, Suite 205 Fairfield, NJ 07004

Description	Total
We hereby propose a price for plumbing work on Sky Harbour located in Poughkeepsie, NY, according to drawings and specifications stamped 5/15/2026. Price includes all labor and material for the amount of: Scope of work: Provide material & labor Sanitary Waste & Vent No Storm Drain Domestic Water Gas pipe Fixtures Specifications: Sanitary Waste & Vent Underslab: PVC Sanitary Waste & Vent Above Ground: PVC Domestic Water Piping: Copper mains with Viega press system Gas Pipe: Sched 40 Black with Viega Mega G press system Notes & Exceptions: No excavation, compaction or backfill. Please add $128,000 to base estimate for this scope of work. Spoils will not be removed from the site. No blasting or jackhammering. No concrete cutting. Price does not include slab prep for trench drain. Price includes pipe insulation for copper lines only No dumpsters. No drawings/BIM drawings. Can provide for additional price. Water services brought in by site contractor. Connections to only. Sanitary to 5' outside buildings, water piped from inside building. Tax on material No cutting or patching	1,058,000.00
Respectfully submitted for your review. Thank you for the opportunity to bid on your project!	**Total**

Elite
Plumbing and Heating Contractors, Inc
198 Coleman Road
Walden, NY 12586

Phone # 845-778-1921
michelle@eliteplumbingandheat.com
https://eliteplumbingandheat.com

Estimate

Date	Estimate #
6/14/2026	2979

Name / Address
RC Anderson Sean Armstrong 695 Route 46, Suite 205 Fairfield, NJ 07004

Description	Total
No electric or control wiring No de-watering of trenches No housekeeping pads for water heaters No fire pump or fire protection, fire backflow water service, no sprinkler. No irrigation, backflow/vacuum breaker No concentric vents or flue No heat trace No flashing or counter flashing No waterproofing No blocking No generator No water softener No painting of pipe Undermount sinks provided but installed by others. Elite will make final connections. No meters No appliances and accessories No roof boots No bathroom accessories No soap dispensers No gutter work No water treatment package/filtration equipment No trench drain/rat slabs/trench drain structural reinforcement No premium time No payment and performance bonds. Can provide for additional price.	

Respectfully submitted for your review. Thank you for the opportunity to bid on your project!	**Total** $1,058,000.00

Kyle Rosser

From: Joe Jasiel <JoeJ@mdshvacr.com>
Sent: Thursday, June 18, 2026 1:33 PM
To: Sean Armstrong; MDS HVAC-R Info
Cc: Kyle Rosser; Tracey Trojan; Chris Armbrister
Subject: RE: SkyHarbour Poughkeepsie - Office Redesign Pricing

EXTERNAL EMAIL

Sean,

Looks like we sent over to you Revised pricing on 6/10/26 to reflect the Office Redesign for HVAC only.
Also we will not be bidding the Plumbing Scope for this project at this time.
Please let us know if you have any questions on the HVAC scope an when you think a decision will be made.

Thank You

Joseph S. Jasiel

MDS HVAC-R Inc.
192 Plains Road
Walden, NY 12586

Office: 845-713-4598
Cell: 914-760-3196
Fax: 845-713-4626

From: Sean Armstrong <Sean.Armstrong@rcandersen.com>
Sent: Thursday, June 18, 2026 12:19 PM
To: MDS HVAC-R Info <info@mdshvacr.com>; Joe Jasiel <JoeJ@mdshvacr.com>
Cc: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Subject: RE: SkyHarbour Poughkeepsie - Office Redesign Pricing

Sorry, meant to clarify. Want to know if you are providing a plumbing number on this as well.

Sean Armstrong
Project Engineer | **RC Andersen**
(O) 973.227.8100 | (M) 973.897.2562
695 Route 46, Suite 205, Fairfield, NJ 07004
sean.armstrong@rcandersen.com | www.rcandersen.com

From: Sean Armstrong
Sent: Thursday, June 18, 2026 12:18 PM
To: MDS HVAC-R Info <info@mdshvacr.com>; Jasiel Joe <joej@mdshvacr.com>
Cc: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Subject: RE: SkyHarbour Poughkeepsie - Office Redesign Pricing

Good afternoon gentlemen,

Looking to see if you guys are wishing to provide a proposal for this project. We are going to be reviewing prices soon.

Let me know. Thanks.

Sean Armstrong
Project Engineer | **RC Andersen**
(O) 973.227.8100 | (M) 973.897.2562
695 Route 46, Suite 205, Fairfield, NJ 07004
sean.armstrong@rcandersen.com | www.rcandersen.com

From: Sean Armstrong
Sent: Thursday, May 28, 2026 11:17 AM
Cc: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Subject: SkyHarbour Poughkeepsie - Office Redesign Pricing

Good morning,

My name is Sean Armstrong, and I work for RC Andersen, an industrial building general contractor. We are currently working on a project for SkyHarbour at Hudson Valley Regional Airport in Poughkeepsie involving the construction of two airplane hangars with an attached office suite. Construction activities are already underway.

If you have received this email, your company has been shortlisted as one of the 2–3 subcontractors we are considering for this scope of work.

The design team has recently revised the office area, and we are requesting updated estimates based on the attached drawing sets. Ideally, we are seeking your best and final pricing for the project. The attached files contain the most current drawing revisions available.

If you are not the appropriate estimator or contact for this scope within your company, please forward this email to the appropriate representative.

Please also note that this project will be performed under open shop labor conditions. However, the owner is currently exploring the possibility of implementing a local labor policy. If your company or workforce is not based within Rockland, Westchester, Putnam, Dutchess, Ulster, or Sullivan County, please provide an alternate price reflecting the cost impact of utilizing local labor.

If you have any questions or require additional information, please feel free to reach out to myself or the project manager, Kyle Rosser, who is CC'ed on this email and we will be happy to assist.

Thank you, and I look forward to hearing from you soon.

Sean Armstrong
Project Engineer | **RC Andersen**
(O) 973.227.8100 | (M) 973.897.2562
695 Route 46, Suite 205, Fairfield, NJ 07004
sean.armstrong@rcandersen.com | www.rcandersen.com

Kyle Rosser

From: Nicholas Perrelli <nick@lineageplumbingheating.com>
Sent: Tuesday, June 23, 2026 7:56 AM
To: Kyle Rosser
Subject: Re: SkyHarbour Poughkeepsie - Office Redesign Pricing

EXTERNAL EMAIL

Hey Kyle,

Unfortunately, we will not be able to price this project at this time.

Thanks
-Nick

On Mon, Jun 22, 2026 at 3:50 PM Kyle Rosser <Kyle.Rosser@rcandersen.com> wrote:

Good Afternoon,

Are you interested in pricing this project?

Kyle Rosser

Senior Project Manager | **RC Andersen**

695 Route 46, Suite 205, Fairfield, NJ 07004

O: 973.227.8100 | C: 973.768.2124

kyle.rosser@rcandersen.com | www.rcandersen.com

From: Sean Armstrong <Sean.Armstrong@rcandersen.com>
Sent: Thursday, June 18, 2026 12:13 PM
To: fossatiplumbing@gmail.com; Nicholas Perrelli <nperrelli89@gmail.com>; nick@lineageplumbingheating.com
Cc: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Subject: RE: SkyHarbour Poughkeepsie - Office Redesign Pricing

Good afternoon gentlemen,

Just seeing if you are wishing to provide pricing on this project.

Let me know. Thanks.

Sean Armstrong

Project Engineer | **RC Andersen**

(O) 973.227.8100 | (M) 973.897.2562

695 Route 46, Suite 205, Fairfield, NJ 07004

sean.armstrong@rcandersen.com | www.rcandersen.com

From: Sean Armstrong
Sent: Thursday, May 28, 2026 11:17 AM
Cc: Kyle Rosser <Kyle.Rosser@rcandersen.com>
Subject: SkyHarbour Poughkeepsie - Office Redesign Pricing

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If you have received this email, your company has been shortlisted as one of the 2–3 subcontractors we are considering for this scope of work.

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Please also note that this project will be performed under open shop labor conditions. However, the owner is currently exploring the possibility of implementing a local labor policy. If your company or workforce is not based within Rockland, Westchester, Putnam, Dutchess, Ulster, or Sullivan County, please provide an alternate price reflecting the cost impact of utilizing local labor.

If you have any questions or require additional information, please feel free to reach out to myself or the project manager, Kyle Rosser, who is CC'ed on this email and we will be happy to assist.

Thank you, and I look forward to hearing from you soon.

Sean Armstrong

Project Engineer | **RC Andersen**

(O) 973.227.8100 | (M) 973.897.2562

695 Route 46, Suite 205, Fairfield, NJ 07004

sean.armstrong@rcandersen.com | www.rcandersen.com

--
RF Lineage Plumbing & Heating
Brewster NY
845-278-0300

AMENDED

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

Type text here

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
Alfred D. Torreggiani

Counsel
Donald Cappillino
Elizabeth Cappillino

COUNTY GOVERNMENT

County Executive
Sue Serino
Dutchess County Office Building 22 Market Street, Sixth Floor
Poughkeepsie, NY 12601
Tel.# (845) 486-2000(B)
Fax # (845) 486-2021
Email: CountyExec@dutchessny.gov

This e-mail address is being protected from spambots.

Dutchess County Legislature
Will Truit
Dutchess County Office Building 22 Market Street, Sixth Floor
Poughkeepsie, NY 12601
Tel # (914) 474-0908 (B)
Fax # (845) 486-2113
Email: wtruit@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.

AMENDED

General Information

I. Project Identification

Company Name POU Development LLC	FEIN 33-2668094
Address 1209 Orange Street	Name and Title of Contact Person Jonathan Lee, Associate
City County Zip Wilmington, DE 19801	Telephone Number 843-408-3984
website https://skyharbour.group/	email jlee@skyharbour.group
Full Address of the site/location of the proposed project, including County and Zip Code 4 Citation Dr. Wrappinger Falls, NY 12590	

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 Jonathan Lee
Print Name Jonathan Lee
Title Associate - Economic Development
Date 3.13.25

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: Jonathan Lee
Title: Associate
Address 136 Tower Rd. Suite 205, White Plains, NY 10604
Phone: 843-408-3984 Fax: NA
Email: jlee@skyharbour.group

B. Company Counsel:

Name of Attorney: Alison Squiccimarro
Firm Name: Sky Harbour Group
Address 136 Tower Rd. Suite 205, White Plains, NY 10604
Phone: 914.261.8382 Fax: NA
Email: asquiccimarro@skyharbour.group

C. Form of Business Organization:

___ For-profit corporation ___ Not-for-profit corporation

___ General partnership ___ Limited partnership

_x_ Limited liability company ___ Sole proprietorship

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

11.27.23 - Delaware

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

Awaiting confirmation in mail Received - 2.04.25

D. Please list Principal Owners/Officers/Directors

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

Sky Harbour Holdings, LLC

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

Sky Harbour Group Corporation

136 Tower Rd. Suite 205, White Plains, NY 10604

E. Holding Company

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

What is the name of the Real Estate Holding Company: Pou Development LLC

Federal Employer ID Number: 33-2668098

State and Year or Incorporation/Organization: DE, 2023

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:

Land is ground leased from the County of Dutchess for a 15 year term with a 40-year option

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

POU Development LLC will construct, manage, and operate ~ 80,000 square feet of hangar facilities for the storage and safekeeping of aircraft. Development will be 2x hangar facilities and a small location for storage of ground equipment.

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

The parent company of SWF Development LLC, Sky Harbour, was founded in 2017. Sky Harbour Group is an aviation infrastructure company in operation or development at 15 airports. The POU facility would be the first in New York for the company.

Estimated % of sales within County	30%
Estimated % of sales outside County but within New York State	19%
Estimated % of sales outside NYS but within U.S.	51%
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

NA

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: Considering applying for CFA grant for fuel farm, but application currently incomplete

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

NA

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.

10K Attached

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

Attached

Section 2: Project Description & Details

A. Industry

Please check off the Project's Industry Sector:

___ Natural Resources / Mining
___ Construction
___ Utilities
___ Manufacturing
___ Wholesale / Retail
_x_ Transportation /Warehousing
___ Other (Please write): _____

___ Information Technology
___ Financial Services
___ Professional / Business Services
___ Education or Healthcare Services
___ Leisure and Hospitality
___ Government

North American Industrial Classifications Number (NAICS) 488119

B. Project Location

Project Address 4 Citation Dr. Wrappinger Falls, NY 12590

Section Block Lot (SBL) Number for Property which proposed Project will be located: 225301

Property Tax Jurisdiction:

Municipal: Wappingers
School District: Wappingers CSD

Are the Real Property Taxes current? _x_ Yes ___ No
If no, please explain No property taxes on property at this time

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 x No

If no, Present legal owner of site: County of Dutchess Project is on ground leased land

Does the Applicant or related entity have an option /contract to purchase the Project site? ___ Yes x No

Describe the present use of the proposed Project Site
Partially unused land on airport and partially apron on airport

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

___ Acquired x 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).
Project is the construction of 2x hangar facilities and a GSE storage unit totaling approx 80,000 SF. Project will include construction of aircraft hangar facilities, 47' in height that store larger jet-engine aircraft. Specific uses on the site of project include storage, light maintenance, and fueling of aircraft in addition to some office usage for planning and preparation.

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).*

Construction costs in Poughkeepsie are 20% above the national average and costs have risen by 40% since 2019, creating a challenging environment for developers. Sky Harbour is currently developing in 8 other locations, meaning that POU is competing for capital with campuses in other states and counties. Without DCIDA assistance, Sky Harbour may not be able to proceed with the project given that the returns will not meet investor thresholds.

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.

x 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.

NA

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?

The New York Metropolitan area faces a hangar deficit of 2 million square feet, and this project serves to meet that need. Sky Harbour has conducted market research and determined that there is demand for hangar space at POU airport.

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?

The project is compatible with local, county, state, and federal authorities as Sky Harbour has worked with government entities to arrive at a ground lease agreement to facilitate land usage.

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.

The project will strive for LEED certification and will incorporate features such as LED lighting and electric aircraft towing vehicles. The project may also incorporate EVTOL charging facilities pending negotiations.

Is the project of a speculative nature?

The project is speculative in nature, but market research indicates strong demand in the region.

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

Will the Project include leasing any equipment? ___ Yes _x_ No

C. Zoning of Project Site:

Current: Commercial - Airport

Proposed: Commercial - Airport

Are any variances needed? If so, please list:

NA

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

NA

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

4.8 acres

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

0 SF

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

80,000

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 X No

If yes, please list: _____

Has another entity been designated lead agent under the State Environmental Quality Review Act? __ Yes X 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.

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) $ 125,452 (Ground Rent)
2. **New Construction** $ 20,700,313
3. **Reconstruction/Renovation/Expansion** 0
4. **Infrastructure Work** $ 4,547,921
5. **Fixed Equipment (Taxable)** (Spending that will be subject to sales tax – i.e. machinery and equipment) $ 15,943,864 (Contractor Tax Quote)
6. **Other Tax Exempt**
(non-construction spending that will not be subject to sales tax) $ 0
7. **Professional Services** (Architect, Legal Fees[1], Engineering fees) $ 5,220,620
8. **Other Taxable** (please specify) $ 0
9. **Other** (please specify) $ 0

Estimated Total Project Cost $ 40,847,143 (overlap in new and taxable)

Uses (Financing, Legal, Miscellaneous)

	Estimated Fees
IDA Administrative Fees (See page 1)	$ 1,000
IDA Counsel	$ 30,000
Applicant Counsel	$ 0
Transaction Counsel	$ TBD
Bond Counsel	$ NA
Underwriter Counsel	$ TBD
Trustee Counsel	$ TBD
Other Costs of Bond Issue (i.e. printing)	$ NA
If this is a bond transaction, will you be refunding bonds? And if so state amount here	$ NA

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	$ 14,296,500
Amount of other conventional financing	$ 0
Amount financed by bond issue	$ 26,550,643 (PABs)
Public Sources (Include sum total of all state and federal grants and tax credits)*	$ 0
Total Sources of Funds for Project Cost	$ 40,847,143

*Identify each state and federal grant/credit

NA	$
	$
	$

F. Project Construction Schedule

What is the proposed date for commencement of acquisition or construction of the Project?
Q3 2025

Please indicate the actual or expected dates of :

Construction completion: Q3 2026

Occupancy: Q3 2026

Will the company be occupying 100% of the completed facility? _X_ 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

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.

Ground lease has been signed with Dutchess County; No purchase contracts have been entered

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)

x Complete Application

x Meets NYS/DCIDA Requirements

NA SEQRA / Planning Approval
Approval Date: _____

x Meets Project Use Definition

x "But For" Requirement

x Will Directly Retain or Create Jobs

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.

Revitalization

Target Geography

x Distressed Census Tract/Area
___ High Vacancy Census Tract
___ Transit Oriented Development
___ BID
___ Neighborhood Plan

Identified Priority

___ Tax Exempt
___ Vacant
___ Adaptive Re-use
x Community Catalyst

Identified Growth Area

___ Manufacturing / Distribution
___ Technology
___ Existing Cluster

Investment

Financial Commitment

___ 3 – 10 million
___ 10.1 – 17.5 million
___ 17.6 – 25 million
x >25 million

Community Commitment

___ MWBE/DBE Participation
x Veteran Participation
___ Workforce /Affordable Housing
x Local Workforce
___ Apprenticeship Program
___ Public Infrastructure

Environmental Factors

___ Resource Conservation
x Energy Efficiency
___ Green Technology
___ Alternative / Renewable Energy

Employment

Permanent Jobs

x 3-40
___ 21-80
___ 81-120
___ 121-180
___ > 180

Retained Jobs

___ 3-40
___ 21-80
___ 81-120
___ 121-180
___ > 180

Construction Jobs

___ 6-80
x 81-160
___ 161-240
___ >240

C. Project Benefits

Financial Assistance Provided

1. Estimated Sales Tax Exemption^

$ 15,943,864	X	.08125	=	$ 1,295,438
Amount of Project Cost Subject to Tax		Sales Tax Rate		Total

2. Estimated Mortgage Recording Tax Exemption

$ 26,550,643 (PABs)	X	.0075	=	$ 199,129
Projected Amount of Mortgage		Mortgage Recording Tax		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:	NA
Current Property Taxes	Consolidated at airport level
Estimated Property Value after project completion	$20,000,000

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)

The exemption formula attached is accelerated to account for leasing requirements, as the campus will be vacant at opening. Additionally, the land is not owned, but lease, meaning the company assumes risk of imminent domain. To mitigate this risk, POU Development LLC would like to request a modified PILOT.

Estimated tax abatement resulting from this project $ 638,715

(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.

D. Employment

A. Benefits = Economic Development Impacts (For Project Location Only)

By statute, the DCIDA must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. The DCIDA will use job projections upon the two (2) year time period following Project completion.

a. Employment should be quantified by "FTE", which shall mean: (a) a full-time, permanent, private-sector employee on the project's payroll, who has worked (or is projected to work) at the project facility for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties;

b. or (b) two part-time, permanent, private-sector employees on the Applicant's payroll, who have worked (or are projected to work) at the project facility for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties

Employment by category at Project Location only

Job Category	Current Number of FTE's	Number of FTE's Retained	Average Salary or Range of Salary	Number of FTE's to be created upon 2 years	Average Salary or Range of Salary
Owner/Executive	0	0	NA		
Professional	0	0	NA		
Management	0	0	NA	1	$110,000
Administrative	0	0	NA		
Production	0	0	NA	3	$55,000-$60,000
Other	0	0	NA		
Total*	0	0	NA	4	$45,000-$110,000

Are employees currently covered by a collective bargaining agreement?
If yes, Name and Local?
NA

Are employees provided retirement benefits? x Yes __ No

Are employees provided health benefits? x Yes __ No

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
	3	1								1		
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.

Full time jobs will come from local community, Approx.60 Aviation tenant jobs and 81 construction jobs will, too

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

Project will seek local work force during construction and operation period and Sky Harbour Academy will train local community members to prepare them for aviatioin jobs.

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? 81_____

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.

The facility is likely to attract aircraft owners from outside of the region given that a proprietary study has shown that the New York metropolitan area has a hangar deficit of 2M square feet.

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. See reference to proprietary study above.

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 The facility will directly create new jobs and employ tenants in the aviation, landscaping, maintenance, and janitorial space.

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 __x__ 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 __x__ No

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

___ Yes __x__ 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.

NA

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:
POU development LLC will serve as the single tenant of this facility but will sublease space to aircraft owners

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:

NA

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	Timothy Herr
Print Name	Timothy M. Herr
Title	Treasurer/VP Finance
Date	3/13/2025

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	Timothy Herr
Print Name	Timothy M. Herr
Title	Treasurer/VP Finance
Date	3/13/2025

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):

Principal Amount of Bonds	Percentage Fees
$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 20.000000	.672
More than $20,000,000	.084

45

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 if 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.

POU Development LLC

Name of Company

Tim Herr.

Name:

VP, Finance

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.

Attachment 2 – Agency Standard Fee Schedule and other fees

<u>DCIDA Standard Fees</u>

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.

AMENDED

POU Development PILOT Analysis

Current Assessed value	$0
Proposed Assessment:	$30,000,000

Growth Rate	2%	SKYH Ann.
Tradewinds $/SF Taxes	$1.02	$87,475

*Adjusted to be on part with comparable facilities

						8.18%	12.17%	79.65%				
Taxable value without expansion*(1)		County Tax	Town Tax	School Tax	Proposed NEW taxable value with expansion**	County Tax w/o PILOT	Town Tax w/o PILOT^	School Tax w/o PILOT	County PILOT	Town PILOT	School PILOT	PILOT Formula
	$0	$0	$0	$0	$30,000,000	$7,153	$10,650	$69,672	$715	$1,065	$6,967	90%
	$0	$0	$0	$0	$30,600,000	$7,296	$10,863	$71,066	$1,094	$1,629	$10,660	85%
	$0	$0	$0	$0	$31,212,000	$7,442	$11,080	$72,487	$1,488	$2,216	$14,497	80%
	$0	$0	$0	$0	$31,836,240	$7,591	$11,302	$73,937	$1,898	$2,825	$18,484	75%
	$0	$0	$0	$0	$32,472,965	$7,743	$11,528	$75,415	$2,323	$3,458	$22,625	70%
	$0	$0	$0	$0	$33,122,424	$7,898	$11,758	$76,924	$2,764	$4,115	$26,923	65%
	$0	$0	$0	$0	$33,784,873	$8,056	$11,993	$78,462	$3,222	$4,797	$31,385	60%
	$0	$0	$0	$0	$34,460,570	$8,217	$12,233	$80,031	$3,698	$5,505	$36,014	55%
	$0	$0	$0	$0	$35,149,781	$8,381	$12,478	$81,632	$4,191	$6,239	$40,816	50%
	$0	$0	$0	$0	$35,852,777	$8,549	$12,727	$83,265	$4,702	$7,000	$45,796	45%
Estimated PILOT subtotal revenue		$0	$0	$0		$78,326	$116,611	$762,891	$26,095	$38,851	$254,167	
	$0	$0	$0	$0	$36,569,833				$8,549	$12,727	$83,265	Estimated Full Year

Estimated revenue without project =	$0
Estimated PILOT Revenue =	$319,113

Savings	**$638,715.65**

*assumes annual 2% increased assessment

^does not include special districts which are exempt from PILOTs

proposed assesment value provided by applicant

Based on 2024 Tax Rates for Tradewinds facility on airport

AMENDED

Cost	$40,847,143.00

Stabilized Operating Proforma (No PILOT)						Year 1		Year 2		Year 3
		Total		$/RSF						
Rent Revenue		$ 2,401,035	$	32.50		$ 2,401,035	$	2,473,066	$	2,547,258
Office Revenue		$ 285,168	$	24.00		$ 285,168	$	293,723	$	302,535
Fuel Revenues										
Fuel Commission for based tenants		$ 554,085	$	1.50		$ 554,085	$	570,708	$	587,829
FBO fuel revenue participation		$ -	$	-						
		$ -	$	-						
Subtotal		$ 554,085	$	6.46		**$ 554,085**	**$**	**570,708**	**$**	**587,829**
Potential Gross Revenue		**$ 3,240,288**	**$**	**37.78**		**$ 3,240,288**	**$**	**3,337,497**	**$**	**3,437,622**
Less: Vacancy	10%	$ (120,052)	$	(1.40)		$ (324,029)	$	(333,750)	$	(343,762)
Effective Gross Revenue		**$ 3,120,236**	**$**	**36.38**		**$ 2,916,259**	**$**	**3,003,747**	**$**	**3,093,859**
Ground Rental Payment		**$ 185,042**	**$**	**0.60**	*	**$ 185,042**	**$**	**190,594**	**$**	**196,311**
Operating Expenses										
Property Taxes		$ 113,033	$	0.88		$ 113,033	$	116,424	$	119,917
Accounting / Audit		$ 30,000	$	0.23		$ 30,000	$	30,900	$	31,827
Revenue Share		$ -	$	-						
Payroll		$ 250,000	$	1.94		$ 250,000	$	257,500	$	450,000
Hangar Operation Expenses		$ 10,500	$	0.08		$ 10,500	$	10,815	$	11,139
Asset Management Fee		$ 62,405	$	0.49		$ 62,405	$	64,277	$	66,205
Property Management Fee		$ 124,809	$	0.97		$ 124,809	$	128,554	$	132,410
Subtotal		$ 590,748	$	4.59		$ 590,748	$	608,470	$	811,499
Total Operating Expenses		**$ 775,790**	**$**	**6.03**		**$ 775,790**	**$**	**799,064**	**$**	**1,007,811**
Net Operating Income		**$ 2,140,469**	**$**	**18.22**		**$ 2,140,469**	**$**	**2,204,683**	**$**	**2,270,824**
YOC		**5.24%**				**5.24%**				

FINAL AUTHORIZING RESOLUTION
(The Hudson Company 2025 Project)

At a regular meeting of the Dutchess County Industrial Development Agency (the "Agency") convened in public session on July 8, 2026 at 8:00 a.m., local time at Three Neptune Road, Poughkeepsie, New York, the following members of the Agency were:

PRESENT: Mark Doyle, Chairman
Ronald J. Piccone, II, Vice Chairman/Treasurer
Thomas J. LeCount, Secretary
Amy L. Bombardieri
Kristofer Munn

ABSENT: Brian C. Berryann

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

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to, or a leasehold interest in, a certain industrial development facility (The Hudson Company 2025 Project) and the leasing of the facility as more particularly described below:

RESOLUTION OF THE DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, RECONSTRUCTION, REPAIR, RENOVATION, INSTALLATION, FURNISHING AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR FIFTH GENERATION PARTNERS LLC AND HUDSON CO, LLC a/k/a HUDSON CO OF DE, LLC d/b/a THE HUDSON COMPANY, AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

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

WHEREAS, FIFTH GENERATION PARTNERS LLC, a limited liability company organized and existing under the laws of the State of New York, having offices at 2290 Route 199, Pine Plains, New York 12567 (the "**Company**"), together with Hudson Co, LLC, a Delaware limited liability company authorized to transact business in the State of New York as Hudson Co of DE, LLC, doing business as The Hudson Company, having offices at 2290 Route

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199, Pine Plains, New York 12567 (the "**Sublessee**"), have 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 the following:

(A) the acquisition of approximately 10.84 acres of land located at 2436 Route 83, Town of Pine Plains, County of Dutchess, State of New York bearing Tax Map Grid No. 134200-6871-00-455865-0000, as more particularly described in Exhibit A attached hereto (collectively, the "**Land**")[1]; and

(B) the construction of (i) an approximately 50,425 square foot mill (including warehouse, office, and showroom) with an approximately 5,100 square foot attached, open shed structure at the rear for storage of lumber beams, (ii) an approximately 9,000 square foot manufacturing shed with an attached 1,800 square foot covered storage structure for sawmill operations, (iii) an approximately 6,848 square foot standalone showroom for visiting clients and designers; and (iv) infrastructure and other improvements on the Land, including but not limited to 32 parking spaces and new utility infrastructure and new roadway accesses (collectively, the "**Improvements**"); and

(C) the acquisition and equipping of certain equipment not part of the Equipment (as such term is defined herein) (the "**Facility Equipment**"; and together with the Land and the Improvements, the "**Company Facility**"), which Company Facility is to be leased and subleased by the Agency to the Company and further subleased by the Company to the Sublessee; and

(D) the acquisition and installation of certain equipment and personal property (the "**Equipment**"; and together with the Company Facility, the "**Facility**"), which Equipment is to be leased by the Agency to the Sublessee, and which Facility is to be used by the Sublessee as a manufacturing, storage and showroom facility for the production of reclaimed and recycled wood products; 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

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[1] At the time of the Company's application and the Agency's Preliminary Resolution adopted on October 15, 2025 the Project site consisted of two separate parcels (2436 Route 83, Tax Map Grid No. 134200-6871-00-455865-0000 and a portion of 7702-7714 South Main Street, Tax Map Grid No. 134200-6871-00-437906-0000), which have since been consolidated into the single parcel described herein.

WHEREAS, the Agency by resolution duly adopted on October 15, 2025 (the "**Preliminary Resolution**"), decided to proceed under the provisions of the Act; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of July 1, 2026, or such other date as the Chairman or the Executive Director of the Agency and counsel to the Agency shall agree (the "**Company Lease**"), by and between the Company and the Agency; and

WHEREAS, the Agency will sublease and lease the Company Facility to the Company pursuant to certain Lease and Project Agreements, dated as of July 1, 2026, or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the "**Lease Agreements**"), by and between the Agency and the Company; and

WHEREAS, the Agency will acquire title to the Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the "**Bill of Sale**"), from the Sublessee to the Agency; and

WHEREAS, the Agency will lease the Equipment to the Sublessee pursuant to a certain Equipment Lease Agreement, dated as of July 1, 2026, or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the "**Equipment Lease Agreement**"), by and between the Agency and the Sublessee; and

WHEREAS, the Sublessee and the Agency will enter into a certain Agency Compliance Agreement, dated as of July 1, 2026, or such other date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the "**Agency Compliance Agreement**"), whereby the Sublessee will provide certain assurances to the Agency with respect to the Facility; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee consistent with the policies of the Agency, in the form of (i) exemptions from sales and use taxes in an amount not to exceed $455,000 in connection with the purchase or lease of equipment, building materials, services or other personal property with the respect to the Facility; (ii) exemptions from mortgage recording taxes for one or more mortgages securing an amount not to exceed $8,000,000 in connection with the Project Work; and (iii) abatement of real property taxes on the Facility as set forth in the PILOT Schedule attached as Exhibit A hereof; 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 Project has undergone a coordinated review under SEQRA by the Town of Pine Plains Planning Board (the "**Lead Agency**"), as Lead Agency under SEQRA; and

WHEREAS, on November 12, 2025, the Lead Agency made a Negative Declaration and Determination of Non-Significance (the "**Negative Declaration**") determining that the Project will not have a "significant impact" or "significant effect" on the environment as defined under SEQRA with the reasons for its determination stated therein; and

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WHEREAS, the Agency hereby adopts the reasoning set forth in the Negative Declaration and hereby determines that the Project will not have a "significant impact" or "significant effect" on the environment as defined under SEQRA; and

WHEREAS, the proposed real property tax abatement requested by the Company deviates from the Standard PILOT Schedule in the Agency's Uniform Tax Exemption and Criteria Policy (the "**UTEP**") and the Company has represented to the Agency that the Supervisor of the Town of Pine Plains and Superintendent of the Pine Plains Central School District are supportive of the Project and of the proposed PILOT Schedule and will bring the matter before their respective boards for formal approval; and

WHEREAS, in compliance with §859-a of the Act, the Agency on March 18, 2026, held a public hearing on the grant of financial assistance as set forth herein following publication in the *Poughkeepsie Journal* on March 4, 2026 of a notice of the public hearing; and

WHEREAS, the Company and the Sublessee have agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company and the Sublessee.

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

Section 1. The Agency hereby finds and determines:

(a) As set forth in the Town of Pine Plains Planning Board's Negative Declaration, the Project will not have a "significant adverse impact" or "significant adverse effect" on the environment as defined under SEQRA and the Agency hereby adopts the reasoning and findings set forth in the Negative Declaration.

Section 2. The Agency further hereby finds and determines:

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

(b) The Facility constitutes a "project", as such term is defined in the Act; and

(c) The public hearing held by the Agency on March 18, 2026, concerning the grant of Financial Assistance as set forth herein and the nature and location of the Facility was duly held in accordance with the laws of the State of New York, including but not limited to the giving of public notice of the meeting a reasonable time before the meeting and affording a reasonable opportunity for persons with differing views to be heard on Agency's providing the financial assistance contemplated herein and the location and nature of the Facility; and

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(d) The Project Work and the leasing of the Company Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Dutchess County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(e) the proposed real property tax abatement requested by the Company deviates from the Standard PILOT in the Agency's UTEP, but the conditions of the Agency's UTEP have been met and a deviation is warranted; and

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

(g) Based upon representations of the Company and the Sublessee and counsel to the Company and the Sublessee, the Facility conforms with the local zoning laws and planning regulations of Dutchess County and all regional and local land use plans for the area in which the Facility is located; and

(h) It is desirable and in the public interest for the Agency to approve the requested Financial Assistance for this Project; and

(i) The Company Lease will be an effective instrument whereby the Agency leases the Land and Improvements from the Company; and

(j) The Lease Agreement will be an effective instrument whereby: (1) the Agency leases and subleases the Company Facility to the Company; (2) the Agency and the Company set forth the terms and conditions of their agreement regarding the Company's payments-in-lieu of real property taxes; (3) the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws; and (4) the Agency and the Company set forth the circumstances in which the Agency may recapture some or all of the benefits granted to the Company in the event any enumerated Recapture Event (as defined therein) occurs; and

(k) The Equipment Lease Agreement will be an effective instrument whereby the Agency leases the Equipment to the Sublessee; and

(l) The Agency Compliance Agreement will be an effective instrument whereby the Sublessee will provide certain assurances to the Agency with respect to the Facility.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sublease and lease the Company Facility to the Company pursuant to the Lease Agreement, and (iv) execute, deliver and perform the Lease Agreement, (v) lease the Equipment to the Sublessee pursuant to the Equipment Lease Agreement, (vi) enter into the Agency Compliance Agreement with the Sublessee, and (vii) execute, deliver and perform the Equipment Lease Agreement and the Agency Compliance Agreement.

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Section 4. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement, and Exhibit A to the Equipment Lease Agreement, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 5. The form and substance of the Company Lease, the Lease Agreement, the Equipment Lease Agreement, and the Agency Compliance Agreement (each in substantially the forms presented to the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 6. Recapture Provisions. The Agency has retained certain recapture rights under the terms and conditions of the Lease Agreement and the Equipment Lease Agreement, respectively, upon the occurrence of a Recapture Event as defined therein. Section 5.4 of the Lease Agreement relating to recapture rights by the Agency against the Company is attached hereto and made a part hereof as Exhibit B. Section 5.2 of the Equipment Lease Agreement relating to recapture rights by the Agency against the Sublessee is attached hereto and made a part hereof as Exhibit C.

Section 7. Based upon the representations and warranties made by the Company and the Sublessee in the Application, the Agency hereby authorizes and approves the following economic benefits to be granted to the Company and the Sublessee in connection with the Project Work in the form of: (i) exemptions from sales and use taxes in an approximate amount not to exceed $455,000 in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility; (ii) exemptions from mortgage recording taxes for one or more mortgages securing an amount not to exceed $8,000,000, in connection with the financing of the acquisition, construction, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing, renovating and equipping of the Facility; and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof). The Agency agrees to consider any requests by the Company or the Sublessee for increases to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Agency authorizes and conducts any supplemental public hearing(s).

Section 8. Subject to (i) execution of the Agency Documents by the Company and the Sublessee and (ii) the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Facility satisfactory to the Agency, the Agency hereby authorizes the Company and the Sublessee to proceed with the Project Work and appoints the Company and the Sublessee as the true and lawful agent of the Agency.

Section 9.

(a) The Chairman, Vice Chairman, any member of the Agency, the Executive Director and the Chief Financial Officer are each hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease, the Lease Agreement, the Equipment Lease Agreement, the Agency Compliance Agreement, all in substantially the forms thereof presented to this meeting

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with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, any member of the Agency, the Executive Director or the Chief Financial Officer shall approve, and such other related documents as may be, in the judgment of the Executive Director or the Chief Financial Officer and Agency Counsel necessary or appropriate to effect the transactions contemplated by this resolution (including any Mortgages and accompanying Assignments of Leases and Rents and any other financing documents reasonably approved as to form and substance by the Executive Director and counsel to the Agency) (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Vice Chairman, any member of the Agency, the Executive Director or the Chief Financial Officer of the Agency shall constitute conclusive evidence of such approval, provided, however, that execution and delivery of the Agency Documents shall be subject to the Executive Director's receipt of the formal board approvals (i.e. board resolution, meeting minutes, etc.) of the Town of Pine Plains and the Pine Plains Central School District for the Project and the proposed PILOT Schedule.

(b) The Chairman, Vice Chairman, any member of the Agency, the Executive Director and the Chief Financial Officer of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement). 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 transaction.

Section 10. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 11. This resolution shall take effect immediately.

This resolution was duly moved by Thomas J. LeCount, seconded by Amy L. Bombardieri, discussed and adopted with the following members voting:

Mark Doyle, Chairman	VOTING	"Aye"
Ronald J. Piccone, II, Vice Chairman/Treasurer	VOTING	"Aye"
Thomas J. LeCount, Secretary	VOTING	"Aye"
Amy L. Bombardieri	VOTING	"Aye"
Brian C. Berryann	being	ABSENT
Kristofer Munn	VOTING	"Aye"

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

The Resolution was thereupon declared duly adopted.

Adopted: July 8, 2026

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

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

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

That I have compared the annexed extract of minutes of the meeting of the Dutchess County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on July 8, 2026, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of and original insofar as the same related to the subject matters herein referred to.

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 8th day of July, 2026.

Thomas J. LeCount, Secretary

[SEAL]

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

EXHIBIT A

PILOT SCHEDULE

Formula for Payments-In-Lieu-of-Taxes ("**PILOTs**"): Town of Pine Plains (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Pine Plains Central School District, Dutchess County and Special Districts (collectively the "**Taxing Jurisdictions**").

Section 1 - Definitions: In this PILOT Schedule, the following terms shall have the meanings specified as follows, unless the context otherwise requires:

"PILOT" shall mean the payment-in-lieu-of-taxes required hereunder to be paid by the Company to the Agency. The PILOTs are more particularly described as follows:

"Annual PILOT" shall mean the sum of PILOTs due hereunder in a PILOT year.

"Apportioned Share of the Annual PILOT" shall mean the percentage of each Annual PILOT each Taxing Jurisdiction is entitled to receive, to be determined ratably using the ratio that the Taxing Jurisdiction's tax rate bears to the total tax rate of all of the Taxing Jurisdictions, using the tax rates from the year prior to the Taxable Status Date. The Special District PILOTs shall not be apportioned but shall be billed with the Annual PILOT invoice. The School District PILOT shall not be apportioned but shall be calculated, billed and paid separately.

"County PILOT" shall mean the Dutchess County's Apportioned Share of the Annual PILOT due on February 28 of each year.

"School District PILOT" shall mean the Pine Plains Central School District's Apportioned Share of the Annual PILOT due on October 1 of each year.

"Town PILOT" shall mean the Town of Pine Plains' Apportioned Share of the Annual PILOT due on February 28 of each year.

"Special Districts PILOTs" shall mean the PILOTs for the Pine Plains Fire District, Pine Plains Light District, and Pine Plains Library District.

"PILOT Year" shall mean the first tax year following the Taxable Status Date after the Completion Date (collectively, the "**Initial PILOT Year**") and each year thereafter for a total of fifteen (15) years in accordance with the Schedule of PILOT Payments. For example, if the Completion Date were prior to March 1, 2029, the Initial PILOT Year would include the

2029/2030 School District PILOT, the
2030 County PILOT, the
2030 Town PILOT, and the
2030 Special District PILOTs.

"Schedule of Exemptions and Calculation of PILOTs" – Special District PILOTs shall be equal to the full amount of taxes that would have been levied upon the Facility and Additional Facilities if the Facility and Additional Facilities were owned by the Company and the Agency

had no ownership interest. For the County PILOT, the Town PILOT and the School District PILOT, the PILOT shall be equal to the full amount of taxes that would have been levied upon the Facility and Additional Facilities, up to an assessed value of $702,800 if the Facility and Additional Facilities were owned by the Company and the Agency had no ownership interest. If the assessed value exceeds $702,800, the County PILOT, Town PILOT and the School District PILOT shall be increased by an amount equal to the amount of taxes that would have been levied upon the Facility and Additional Facilities on that excess amount but reduced by the following exemption percentage:

PILOT Year	**Exemption Percentage**
1	100%
2	100%
3	100%
4	90%
5	90%
6	90%
7	80%
8	70%
9	60%
10	50%
11	40%
12	30%
13	20%
14	10%
15	5%
thereafter	0%

"Taxable Status Date" shall mean March 1 of each year. For School District PILOTs, Taxable Status Date shall mean March 1 of the year the PILOTs are due. For County, Town and Special District PILOTs, Taxable Status Date shall mean March 1 of the year prior to the PILOTs being due.

Section 2 - Billing, Apportionment and Distribution of PILOTs

After Taxable Status Date each year the Agency shall determine the Annual PILOT, the Apportioned Share of the Annual PILOT and the School District Annual PILOT. The Agency shall send an invoice to the Company for the Annual PILOT. Once received by the Agency, the PILOTs shall be distributed to the appropriate Taxing Jurisdiction timely in accordance with law.

EXHIBIT B

EXCERPT FROM LEASE AGREEMENT

Section 5.4 Recapture of Agency Benefits.

It is understood and agreed by the parties hereto that the Agency is entering into this Lease Agreement in order to provide financial assistance to the Company for the Company Facility and to accomplish the public purposes of the Act. In consideration therefor, the Company hereby agrees as follows:

(i) If there shall occur a Recapture Event prior to the Completion Date or within the first (1st) or second (2nd) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, one hundred percent (100%) of the Recaptured Benefits (as defined below);

(ii) If there shall occur a Recapture Event during the third (3rd) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, ninety percent (90%) of the Recaptured Benefits;

(iii) If there shall occur a Recapture Event during the fourth (4th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, eighty percent (80%) of the Recaptured Benefits;

(iv) If there shall occur a Recapture Event during the fifth (5th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, seventy percent (70%) of the Recaptured Benefits; and

(v) If there shall occur a Recapture Event during the sixth (6th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, sixty percent (60%) of the Recaptured Benefits; and

(vi) If there shall occur a Recapture Event during the seventh (7th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, fifty percent (50%) of the Recaptured Benefits;

(viii) If there shall occur a Recapture Event during the eighth (8th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, forty percent (40%) of the Recaptured Benefits; and

(ix) If there shall occur a Recapture Event during the ninth (9th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, thirty percent (30%) of the Recaptured Benefits; and

(x) If there shall occur a Recapture Event during the tenth (10th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, twenty percent (20%) of the Recaptured Benefits; and

(xi) If there shall occur a Recapture Event during the eleventh (11th) year after the Completion Date, the Company shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, ten percent (10%) of the Recaptured Benefits; and

(xii) If there shall occur a Recapture Event during the twelfth (12th) year after the Completion Date or thereafter, the Company shall not be obligated to pay to the Agency, or to the State of New York, any of the Recaptured Benefits; and

(b) The term "**Recaptured Benefits**" shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency's participation in the transaction contemplated by the Lease Agreement including, but not limited to, the amount equal to 100% of:

(i) the Mortgage Recording Tax Exemption; and

(ii) real property tax abatements granted pursuant to Section 5.1 hereof (the "**Real Property Tax Abatements**");

which Recaptured Benefits from time to time shall upon the occurrence of a Recapture Event in accordance with the provisions of subsection (c) below and the declaration of a Recapture Event by notice from the Agency to the Company be payable directly to the Agency or the State of New York if so directed by the Agency within thirty (30) days after such notice.

(c) The term "**Recapture Event**" shall mean any of the following events:

(1) The occurrence and continuation of an Event of Default under this Lease Agreement (other than as described in clause (4) below or in subsection (e) below)

which remains uncured beyond any applicable notice and/or grace period, if any, provided hereunder; or

(2) The Facility shall cease to be a "project" within the meaning of the Act, as in effect on the Closing Date, through the act or omission of the Company and/or the Sublessee; or

(3) The sale of the Company Facility or closure of the Company Facility and/or departure of the Company from Dutchess County, except as due to casualty, condemnation or force majeure as provided in subsection (e) below or as provided in Section 9.3 hereof; or

(4) Failure of the Company to create or cause to be maintained at least ninety percent (90%) of the number of FTE jobs at the Company Facility as provided in Section 8.11 of the Lease Agreement, which failure is not reflective of the business conditions of the Company or the subtenants of the Company, including without limitation loss of major sales, revenues, distribution or other adverse business developments and/or local, national or international economic conditions, trade issues or industry wide conditions; or

(5) Any significant deviations from the Project Application Information which would constitute a significant diminution of the Company's and/or the Sublessee's activities in, or commitment to Dutchess County, New York.

(e) Furthermore, notwithstanding the foregoing, a Recapture Event shall not be deemed to have occurred if the Recapture Event shall have arisen as a result of (i) a "force majeure" event (as more particularly defined in Section 10.1(b) hereof), (ii) a taking or condemnation by governmental authority of all or part of the Company Facility, or (iii) the inability or failure of the Company after the Company Facility shall have been destroyed or damaged in whole or in part (such occurrence a "**Loss Event**") to rebuild, repair, restore or replace the Company Facility to substantially its condition prior to such Loss Event, which inability or failure shall have arisen in good faith on the part of the Company or any of its affiliates so long as the Company or any of its affiliates have diligently and in good faith using commercially reasonable efforts pursued the rebuilding, repair, restoration or replacement of the Company Facility or part thereof.

(f) The Company covenants and agrees to furnish and/or cause its sublessees to furnish to the Agency with written notification (i) within sixty (60) days of the end of each Tax Year of the number of FTEs located at the Company Facility for such Tax Year, and (ii) within thirty (30) days of actual notice of any facts or circumstances which would likely lead to a Recapture Event or constitute a Recapture Event hereunder. The Agency shall notify the Company of the occurrence of a Recapture Event hereunder, which notification shall set forth the terms of such Recapture Event.

(g) In the event any payment owing by the Company under this Section shall not be paid on demand by the Agency, such payment shall bear interest from the date of such demand at a rate equal to one percent (1%) plus the Prime Rate, but in no event at a rate higher than the maximum lawful prevailing rate, until the Company shall have made such payment in full, together

with such accrued interest to the date of payment, to the Agency (except as otherwise specified above).

(h) The Agency shall be entitled to deduct all reasonable out of pocket expenses of the Agency, including without limitation, reasonable legal fees, incurred in connection with the recovery of all amounts due under this Section 5.4, from amounts received by the Agency pursuant to this Section 5.4.

(i) The Company acknowledges that Section 5.4 is intended to reflect the Agency's "Policy on Maintaining Performance Based Incentives (MPBI)" a copy of which is attached hereto as Exhibit G and made a part hereof, and that such policy includes the process by which the Agency will review any performance based incentive deficiencies, the Company's explanations and proposed cures thereof and exercise any remedies hereunder or waiver of same. In the event of a conflict between the provisions of Section 5.4 and the provisions set forth on Exhibit G, the provisions set forth on Exhibit G shall control.

EXHIBIT C

EXCERPT FROM EQUIPMENT LEASE AGREEMENT

Section 5.2 Recapture of Agency Benefits.

(a) It is understood and agreed by the parties hereto that the Agency is entering into this Equipment Lease Agreement in order to provide financial assistance to the Sublessee for the Facility and to accomplish the public purposes of the Act. In consideration therefor, the Sublessee hereby agrees as follows:

(i) If there shall occur a Recapture Event after the Closing Date, but on or before December 31, 2030, the Sublessee shall pay to the Agency, or to the State of New York, if so directed by the Agency (except as otherwise specified below) as a return of public benefits conferred by the Agency, one hundred percent (100%) of the Recaptured Benefits (as defined below).

(b) The term "**Recaptured Benefits**" shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency's participation in the transaction contemplated by the Equipment Lease Agreement including, but not limited to, the amount equal to 100% of:

(i) Sales Tax Exemption savings realized by or for the benefit of the Sublessee, including any savings realized by any Agent pursuant to the Equipment Lease Agreement and each Sales Tax Agent Authorization Letter issued in connection with the Facility (the "**Sublessee Sales Tax Savings**"); and

which Recaptured Benefits from time to time shall upon the occurrence of a Recapture Event in accordance with the provisions of subsection (c) below and the declaration of a Recapture Event by notice from the Agency to the Sublessee be payable directly to the Agency or the State of New York if so directed by the Agency within ten (10) days after such notice.

(c) The term "**Recapture Event**" shall mean that the Sublessee receives Sales Tax Savings in connection with the Project Work in violation of any of the provisions of Section 5.1 hereof or Section 875 of the GML; provided, however, that the foregoing shall constitute a Recapture Event with respect to such unauthorized Sales Tax Savings only. It is further provided that failure to repay such authorized Sales Tax Savings within thirty (30) days shall constitute a Recapture Event with respect to all Recaptured Benefits.

(d) In the event any payment owing by the Sublessee under this Section shall not be paid on demand by the Agency, such payment shall bear interest from the date of such demand at a rate equal to one percent (1%) plus the Prime Rate, but in no event at a rate higher than the maximum lawful prevailing rate, until the Sublessee shall have made such payment in full, together with such accrued interest to the date of payment, to the Agency (except as otherwise specified above).

(e) The Agency shall be entitled to deduct all reasonable out of pocket expenses of the Agency, including without limitation, reasonable legal fees, incurred with the recovery of all amounts due under this Section 5.2, from amounts received by the Agency pursuant to this Section 5.2.

Dutchess County DCida Industrial Development Agency

Project Evaluation Checklist

Project: #13022503 Hudson Company

X Mark Doyle
X Amy Bombardieri
X Jamie Piccone II
X Deirdre Houston
___ Tom LeCount *(Absent)*
X Brian Berryann

Https://Thinkdutchessny.Sharepoint.Com/Sites/DCLDC/Shared Documents/EDC_COMMON/IDA/Compliance/Acknowledgement Checklists/IDA Board Project Evaluation Checklist-Hudson Company.Docx

DCida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

Project: The Hudson Company **Location:** Town of Pine Plains

Type of Business: Manufacturing

Agency Request

Sales Tax [X] Mortgage Tax Exemption [X] PILOT [X]

Company Description:

Fifth Generation Partners is a special purpose LLC formed specifically for this project. The tenant, Hudson Company, which is wholly owned by Fifth Generations Partner, is a local manufacturer of reclaimed and recycled wood used in architectural applications.

Project Description:

The proposed project is to expand and repurpose an existing 16,800 sq ft warehouse building in the Town of Pine Plains. The building will be expanded to accommodate a 50,000 sq foot building to house manufacturing, storage, office and showroom space. The project will also enable the manufacturer to remain in Dutchess County and retain 27 employees.

Project Timeline:

Proposed date for commencement of acquisition or construction: 2nd quarter of 2026

The actual or expected dates of:

Construction completion: 2nd quarter 2028

Occupancy: 3rd quarter 2028

Total Cost of Project:

Private Investment Amount

Total Project Cost $ 9,800,000 Private Investment: $ 9,800,000

Amount of other public financial assistance, grants and source $ TBD

Construction Costs: $ 5,250,000 Equipment: $ 1,800,000

Company Incentives:

Amount of Sales tax benefits:	$455,000
Amount of Mortgage Recording Tax:	$60,000
Estimated real property tax exemption with PILOT	$971,322

Estimated amount of benefit to State & Region*:

Anticipated PILOT revenue:	$212,900
Anticipated Sales Tax revenue	$965,737
Benefit to Cost Ratio	44:1

**figures based on MRB Cost -Benefit Calculator*

Estimated Property Value Increase

Current Assessed Value	Current Property Tax (2024)	Estimated New Assessed Value	Net Increase	Est. Year 1 Property Taxes Upon Expiration of PILOT
$682,300	$10,428	$7,800,000	$7,117,700	$145,325

Employment Impact

Committed total FTE jobs: 41

Number of existing FTE jobs to be retained 27

Total Number of new FTE Jobs to be created 14 over 2 years.

Annualized Salary Range of FTE jobs $_50,000_ to $_175,000

Estimated Hourly Wage Average and Range: _$49.00 Estimated Range $37.00-$123.00

Total Number of Construction Jobs to be created 90* (headcount)

*estimated based on general construction ratios

Employment Impact in Dutchess County

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Direct	27	41
Indirect	14	13
Total Effect	41	54

**figures based on MRB Cost -Benefit Calculator*

Community Benefits:

- *Revitalization*: The project is considered a target growth cluster (manufacturing).
- *Investment: The* project has an estimated project cost of $9.8 million and will utilize as many energy conservation strategies in the building and manufacturing process.
- *Employment*: The project will retain 27 FTES and is projected to create 14 additional FTEs.
- Use of Local Contractor(s) and Labor: Yes X No_____ (The project will utilize as many local contractors and labor where feasible however, the project is not subject to the Agency's Local Labor Policy)

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 and PILOT:

Municipal Support ___X___ PILOT ___X___ Request for UTEP Deviation ___X___

CEO Comments of Importance

This project expands the existing manufacturer in Pine Plains, Dutchess County. Retaining and creating manufacturing jobs significantly impacts the local economy, especially in the less industrialized eastern part of the County. Keeping the company in Pine Plains ensures continued access to manufacturing jobs. The project is supported by the Town of Pine Plains and the Pine Plains School District.

Board Member QUESTIONS /COMMENTS

I welcome an application from a manufacturing business in Pine Plains

Completed by Board Member _____ Date 10/15/2025

Print name Mark Doyle

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.

DCida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

Project: The Hudson Company **Location:** Town of Pine Plains

Type of Business: Manufacturing

Agency Request

Sales Tax [X] Mortgage Tax Exemption [X] PILOT [X]

Company Description:

Fifth Generation Partners is a special purpose LLC formed specifically for this project. The tenant, Hudson Company, which is wholly owned by Fifth Generations Partner, is a local manufacturer of reclaimed and recycled wood used in architectural applications.

Project Description:

The proposed project is to expand and repurpose an existing 16,800 sq ft warehouse building in the Town of Pine Plains. The building will be expanded to accommodate a 50,000 sq foot building to house manufacturing, storage, office and showroom space. The project will also enable the manufacturer to remain in Dutchess County and retain 27 employees.

Project Timeline:

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The actual or expected dates of:

Construction completion: 2nd quarter 2028

Occupancy: 3rd quarter 2028

Total Cost of Project:

Private Investment Amount

Total Project Cost $ 9,800,000 Private Investment: $ 9,800,000

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Community Benefits:

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- *Investment: The* project has an estimated project cost of $9.8 million and will utilize as many energy conservation strategies in the building and manufacturing process.
- *Employment*: The project will retain 27 FTES and is projected to create 14 additional FTEs.
- Use of Local Contractor(s) and Labor: Yes X No_____ (The project will utilize as many local contractors and labor where feasible however, the project is not subject to the Agency's Local Labor Policy)

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 and PILOT:

Municipal Support ___X___ PILOT ___X___ Request for UTEP Deviation ___X___

CEO Comments of Importance

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Board Member QUESTIONS /COMMENTS

Completed by Board Member _____ Date 10/15 2026

Print name Amy Bonacker

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DCida
Dutchess County Industrial Development Agency

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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 and PILOT:

Municipal Support ___X___ PILOT ___X___ Request for UTEP Deviation ___X___

CEO Comments of Importance

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Board Member QUESTIONS /COMMENTS

Worthy project – rehab existing bldg. while improving physical site. Concern over SEC consideration & as to whether this project will be able to be completed

Completed by Board Member [signature] Date 10/15 2025

Print name Deirdre Houston

Mission Statement:

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DCida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

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Agency Request

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Total Project Cost $ 9,800,000 Private Investment: $ 9,800,000

Amount of other public financial assistance, grants and source $ TBD

Construction Costs: $ 5,250,000 Equipment: $ 1,800,000

Company Incentives:

Amount of Sales tax benefits:	$455,000
Amount of Mortgage Recording Tax:	$60,000
Estimated real property tax exemption with PILOT	$971,322

Estimated amount of benefit to State & Region*:

Anticipated PILOT revenue:	$212,900
Anticipated Sales Tax revenue	$965,737
Benefit to Cost Ratio	44:1

**figures based on MRB Cost -Benefit Calculator*

Estimated Property Value Increase

Current Assessed Value	Current Property Tax (2024)	Estimated New Assessed Value	Net Increase	Est. Year 1 Property Taxes Upon Expiration of PILOT
$682,300	$10,428	$7,800,000	$7,117,700	$145,325

Employment Impact

Committed total FTE jobs: 41

Number of existing FTE jobs to be retained 27

Total Number of new FTE Jobs to be created 14 over 2 years.

Annualized Salary Range of FTE jobs $_50,000_ to $_175,000

Estimated Hourly Wage Average and Range: _$49.00 Estimated Range $37.00-$123.00

Total Number of Construction Jobs to be created 90* (headcount)

*estimated based on general construction ratios

Employment Impact in Dutchess County

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Direct	27	41
Indirect	14	13
Total Effect	41	54

**figures based on MRB Cost -Benefit Calculator*

Community Benefits:

- *Revitalization*: The project is considered a target growth cluster (manufacturing).
- *Investment: The* project has an estimated project cost of $9.8 million and will utilize as many energy conservation strategies in the building and manufacturing process.
- *Employment*: The project will retain 27 FTES and is projected to create 14 additional FTEs.
- Use of Local Contractor(s) and Labor: Yes X No_____ (The project will utilize as many local contractors and labor where feasible however, the project is not subject to the Agency's Local Labor Policy)

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 and PILOT:

Municipal Support ___X___ PILOT ___X___ Request for UTEP Deviation ___X___

CEO Comments of Importance

This project expands the existing manufacturer in Pine Plains, Dutchess County. Retaining and creating manufacturing jobs significantly impacts the local economy, especially in the less industrialized eastern part of the County. Keeping the company in Pine Plains ensures continued access to manufacturing jobs. The project is supported by the Town of Pine Plains and the Pine Plains School District.

Board Member QUESTIONS /COMMENTS

Would induce job growth and Rehap a ~~dilapidated~~ property and induce property TAXES

Dilapidated

Completed by Board Member Jamie Piccoli Date 10/15 2025

Print name JAMIE PICCOLI

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.

DCida
Dutchess County Industrial Development Agency

Evaluation of Projects Requesting IDA Benefits

Project: The Hudson Company **Location:** Town of Pine Plains

Type of Business: Manufacturing

Agency Request

Sales Tax [X] Mortgage Tax Exemption [X] PILOT [X]

Company Description:

Fifth Generation Partners is a special purpose LLC formed specifically for this project. The tenant, Hudson Company, which is wholly owned by Fifth Generations Partner, is a local manufacturer of reclaimed and recycled wood used in architectural applications.

Project Description:

The proposed project is to expand and repurpose an existing 16,800 sq ft warehouse building in the Town of Pine Plains. The building will be expanded to accommodate a 50,000 sq foot building to house manufacturing, storage, office and showroom space. The project will also enable the manufacturer to remain in Dutchess County and retain 27 employees.

Project Timeline:

Proposed date for commencement of acquisition or construction: 2nd quarter of 2026

The actual or expected dates of:

Construction completion: 2nd quarter 2028

Occupancy: 3rd quarter 2028

Total Cost of Project:

Private Investment Amount

Total Project Cost $ 9,800,000 Private Investment: $ 9,800,000

Amount of other public financial assistance, grants and source $ TBD

Construction Costs: $ 5,250,000 Equipment: $ 1,800,000

Company Incentives:

Amount of Sales tax benefits:	$455,000
Amount of Mortgage Recording Tax:	$60,000
Estimated real property tax exemption with PILOT	$971,322

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Anticipated PILOT revenue:	$212,900
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Employment Impact

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Total Number of new FTE Jobs to be created 14 over 2 years.

Annualized Salary Range of FTE jobs $_50,000_ to $_175,000_

Estimated Hourly Wage Average and Range: _$49.00 Estimated Range _$37.00-$123.00_

Total Number of Construction Jobs to be created 90* (headcount)

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Community Benefits:

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- *Employment*: The project will retain 27 FTES and is projected to create 14 additional FTEs.
- Use of Local Contractor(s) and Labor: Yes X No_____ (The project will utilize as many local contractors and labor where feasible however, the project is not subject to the Agency's Local Labor Policy)

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 and PILOT:

Municipal Support ___X___ PILOT ___X___ Request for UTEP Deviation ___X___

CEO Comments of Importance

This project expands the existing manufacturer in Pine Plains, Dutchess County. Retaining and creating manufacturing jobs significantly impacts the local economy, especially in the less industrialized eastern part of the County. Keeping the company in Pine Plains ensures continued access to manufacturing jobs. The project is supported by the Town of Pine Plains and the Pine Plains School District.

Board Member QUESTIONS /COMMENTS

None.

Completed by Board Member Brian C. Berryman Date 10/15 - 2025

Print name Brian C. Berryman

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.

Town of Pine Plains Board of Assessors
P.O. Box 955
Pine Plains, NY 12567
518-398-7193
assessor@pineplains-ny.gov
assessorclerk@pineplains-ny.gov

July 7, 2026

Fifth Generation Partners LLC
2290 Route 199
Pine Plains, NY 12567

Fifth Generation Partners,

Enclosed you will find form RP-553 (Correction of Errors to the Final Roll) for parcel 6871-00-455865 increasing the assessed value from $702,800 to $847,200 for 2026. This error in assessed value occurred when the purchase of 6.84 acres by Fifth Generation Partners from Dale Mitchell in February was inadvertently overlooked and not recorded by our office.

Please let us know if you have any concerns or questions about this increase and whether you plan on attending the meeting of the Board of Assessment Review on July 28, 2026 to discuss. A meeting will only be held if Fifth Generation Partners will be attending.

Thanks so much!

Sincerely,
Sara Foglia
Assessor

DCida
Dutchess County Industrial Development Agency

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.

DCida

Dutchess County Industrial 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

Th!nk DUTCHESS

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
Alfred D. Torreggiani

Counsel
Donald Cappillino
Elizabeth Cappillino

COUNTY GOVERNMENT

County Executive
Sue Serino
Dutchess County Office Building 22 Market Street, Sixth Floor
Poughkeepsie, NY 12601
Tel.# (845) 486-2000(B)
Fax # (845) 486-2021
Email: CountyExec@dutchessny.gov

This e-mail address is being protected from spambots.

Dutchess County Legislature
Will Truit
Dutchess County Office Building 22 Market Street, Sixth Floor
Poughkeepsie, NY 12601
Tel # (914) 474-0908 (B)
Fax # (845) 486-2113
Email: wtruit@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

The Hudson Company + Fifth Generation Partners LLC	FEIN: 27-3181140 FEIN: 33-1366993
2290 Route 199	Contact Person: **Jamie Hammel, President**
Pine Plains, NY 12567	Telephone Number: **(917) 913-1966**
Website: **www.thehudsonco.com**	Email: **Jamie@thehudsonco.com**
site/location : **2436 Route 83, Pine Plains NY 12567 Dutchess County**	

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	✓
Sales Tax Exemptions	✓
Mortgage Tax Exemption	✓

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	Jamie Hammel
Title	President
Date	06/25/25

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: Jamie Hammel
Title: President
Address 2290 Route 199 Pine Plains, NY 12567
Phone: (917) 913-1966 Fax: n/a
Email: Jamie@thehudsonco.com

B. Company Counsel:

Name of Attorney: Dan Leary
Firm Name: Berlandi, Nussbaum & Reitzas
Address 527 Route 22 Pawling, NY 12564
Phone: (914) 837-0896 Fax: n/a
Email: dleary@bnrllp.com

C. Form of Business Organization:

___ For-profit corporation(S-Corp) ___ 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:
Hudson Co, LLC - 8/3/2010 - DE
Fifth Generation Partners LLC - 9/30/2024 - NY

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

Hudson Co, LLC - 11/08/2024 – NY (authorized in NY as "Hudson Co of DE, LLC" and d/b/a "The Hudson Company")

D. Please list Principal Owners/Officers/Directors

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

Jamie Hammel 100% - Hudson Co, LLC

Jamie Hammel 1% - Fifth Generation Partners LLC

Elizabeth Felleman Hammel 2024 Trust 99% - Fifth Generation Partners LLC

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: Fifth Generation Partners LLC

Federal Employer ID Number: 33-1366993

State and Year or Incorporation/Organization: NY 9/30/2024

List of stockholders, members, or partners of Applicant: Jamie Hammel
Elizabeth Felleman Hammel 2024 Trust

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

25 year Triple Net Lease. The Hudson Company has exclusive rights to renovate and update the property which was purchased under a separate entity.

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

The Hudson Company is a leading manufacturer of reclaimed and recycled wood flooring, paneling and beams for commercial and residential architects, designers and contractors around the country.

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

The Hudson Company was founded in Pine Plains, NY on August 31st, 2010 with one employee. The Company now employes more than 25 associates and maintains showrooms in NYC and CT.

Estimated % of sales within County (based on 2024 sales)	6.2 %
Estimated % of sales outside County but within New York State	38.7%
Estimated % of sales outside NYS but within U.S.	55.1%
Estimated % of sales outside the US	
Total Sales	100%

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

Not at the time of completing this application

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:

Empire State Development

$1,500,000 Requested

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

Section 2: Project Description & Details

A. Industry

Please check off the Project's Industry Sector:

___ Natural Resources / Mining	___ Information Technology
___ Construction	___ Financial Services
___ Utilities	___ Professional / Business Services
✓ Manufacturing	___ Education or Healthcare Services
___ Wholesale / Retail	___ Leisure and Hospitality
___ Transportation /Warehousing	___ Government

___ Other (Please write): _____

North American Industrial Classifications Number (NAICS) _____

B. Project Location

Project Address 2436 Route 83
Pine Plains, NY 12567

Section Block Lot (SBL) Number for Property which proposed Project will be located: 134200-6871-00-455865-0000 + a portion of 134200-6871-00-437906-0000

Property Tax Jurisdiction:

Municipal: Pine Plains
School District: Pine Plains

Are the Real Property Taxes current? ✓ Yes ___ No
If no, please explain _____

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

___ Water	✓ Electric
✓ Gas (propane)	___ 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? ___ Yes ✓ No

Describe the present use of the proposed Project Site
Abandoned Warehouse

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*).

Construct approximately 50,000 SF for manufacturing, storage, office and showroom on approximately 10 acres of land
Beautify the property by creating rural meadows and environmentally friendly plantings.
Purchase additional equipment so the company can expand operations.

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).*

The Hudson Company intends to invest significant resources to retain twenty five (25) employees, recruit and train additional associates in manufacturing, beautify a 10 acre parcel at the "gateway" to Pine Plains, and expand production. These combined efforts cannot be funded solely through company resources and we request support in the form of traditional financing, Grants & PILOTs . If we do not receive funding support, we will have to delay or reconsider portions of the project.

This request for a PILOT helps fill the majority of the funding gap.

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.

The project will not happen without support.

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?

Pine Plains desperately needs additional employers who offer a living wage, health care, and retirement benefits.

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

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.

If sufficient funding is secured, we would love to incorporate alternative energy sources such as solar panels into the project.

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? ___ Yes ✓ No

C. Zoning of Project Site:

Current: The project site is an approximately 10.84-acre parcel located northeast of the intersection of NYS Route 82 / S Main Street and Route 83, in the Hamlet – Main Street (H-MS) Zoning District as designated by Town of Pine Plains

Zoning Map.

Proposed N/A

Are any variances needed? If so, please list:

1. (1) Relief from §275-17.C(3) for maximum principal structure footprint area;
2. (2) Relief from §275-17.C(3) for maximum principal structure gross floor area;
3. (3) Relief from §275-56.MM(1) for more than one principal building on a lot;
4. (4) Relief from §275-56.MM(1) for minimum warehouse setback;
5. (5) Relief from §275 Attachment 2 Table B for maximum front yard setback;
6. (6) Relief from §275-45.B for off-street parking requirements;
7. (7) Relief from §275-46.A(1) and (2) for off-street loading requirements.
8. (8) Relief from §275-40 for the one-hundred-foot Town wetland buffer requirement.

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:

10.84 acres

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

16,800 SF Renovated

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

50,000 SF Constructed

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

Pine Plains Plains Planning Board

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) $ 1,800,000
2. **New Construction** $ 3,750,000
3. **Reconstruction/Renovation/Expansion** $ _____
4. **Infrastructure Work** $ 1,500,000
5. **Fixed Equipment (Taxable)** (Spending that will be subject to sales tax – i.e. machinery and equipment) $ 1,800,000
6. **Other Tax Exempt**
(non-construction spending that will not be subject to sales tax) $
7. **Professional Services** (Architect, Legal Fees[1], Engineering fees) $ 750,000
8. **Other Taxable** (please specify) $ _____
9. **Other** (Relocation) $ 200,000

Estimated Total Project Cost $ 9,800,000

Uses (Financing, Legal, Miscellaneous)

	Estimated Fees
IDA Administrative Fees (See page 1)	$ 38,250
IDA Counsel	$ 1,000
Applicant Counsel	$ 1,000
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	$	2,000,000
Amount of other conventional financing	$	6,000,000
Amount financed by bond issue	$	
Public Sources (Include sum total of all state and federal grants and tax credits)*	$	1,800,000
Total Sources of Funds for Project Cost	$	9,800,000

*Identify each state and federal grant/credit

Empire State Development	$	700,000
Central Hudson	$	200,000
PILOT (abatement after completion)	$	900,000

F. Project Construction Schedule

What is the proposed date for commencement of acquisition or construction of the Project?
June 1, 2026

Please indicate the actual or expected dates of :

Construction completion: June 1, 2028

Occupancy: July 1, 2028

Will the company be occupying 100% of the completed facility? _✓__ 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

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.

Updated 4/19/25

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)

✓ Complete Application
✓ Meets Project Use Definition
✓ Meets NYS/DCIDA Requirements
✓ "But For" Requirement
✓ SEQRA / Planning Approval
✓ Will Directly Retain or Create Jobs

Approval Date: No Negative Declaration as of Submission

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.

Revitalization

Target Geography

____ Distressed Census Tract/Area
____ High Vacancy Census Tract
____ Transit Oriented Development
____ BID
____ Neighborhood Plan

Identified Priority

____ Tax Exempt
____ Vacant
____ Adaptive Re-use
____ Community Catalyst

Identified Growth Area

✓ Manufacturing / Distribution
____ Technology
____ Existing Cluster

Investment

Financial Commitment

✓ 3 – 10 million
____ 10.1 – 17.5 million
____ 17.6 – 25 million
____ >25 million

Community Commitment

____ MWBE/DBE Participation
____ Veteran Participation
____ Workforce /Affordable Housing
✓ Local Workforce
____ Apprenticeship Program
____ Public Infrastructure

Environmental Factors

✓ Resource Conservation
____ Energy Efficiency
____ Green Technology
____ Alternative / Renewable Energy

Employment

Permanent Jobs

✓ 3-40
____ 21-80
____ 81-120
____ 121-180
____ > 180

Retained Jobs

✓ 3-40
____ 21-80
____ 81-120
____ 121-180
____ > 180

Construction Jobs

✓ 6-80
____ 81-160
____ 161-240
____ >240

C. Project Benefits

Financial Assistance Provided

1. Estimated Sales Tax Exemption^

$5,600,000	X	.08125	=	$455,000
Amount of Project Cost Subject to Tax		Sales Tax Rate		Total

2. Estimated Mortgage Recording Tax Exemption

$8,000,000	X	.0075	=	$60,000
Projected Amount of Mortgage		Mortgage Recording Tax		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:	$682,300.00
Current Property Taxes	$12,115.99
Estimated Property Value after project completion	$7,800,000

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)

The Hudson Company has an ambitious development plan that has received overwhelming support from the Pine Plains Planning Board, Zoning Board of Appeals, and community members. Unfortunately, we did not receive the Empire State Development Grant funding that we had anticipated but partial PILOT from DCIDA will enable us to fund the project as envisioned and build a beautiful manufacturing facility at the gateway to Pine Plains.

Estimated tax abatement resulting from this project $ $887,202 over 10 years
(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.

D. Employment

A. Benefits = Economic Development Impacts (For Project Location Only)

By statute, the DCIDA must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. The DCIDA will use job projections upon the two (2) year time period following Project completion.

a. Employment should be quantified by "FTE", which shall mean: (a) a full-time, permanent, private-sector employee on the project's payroll, who has worked (or is projected to work) at the project facility for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties;

b. or (b) two part-time, permanent, private-sector employees on the Applicant's payroll, who have worked (or are projected to work) at the project facility for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are (or will be) entitled to receive the usual and customary fringe benefits extended by the Applicant to other employees with comparable rank and duties

Employment by category at Project Location only

Job Category	Current Number of FTE's	Number of FTE's Retained	Average Salary or Range of Salary	Number of FTE's to be created upon 2 years	Average Salary or Range of Salary
Owner/Executive	1	1	$175,000		
Professional	5	5	$75,000 - $225,000	2	$100,000 – 225,000
Management	1	1	$125,000	1	$75,000
Administrative	4	4	$65,000 - $125,000	1	$75,000
Production	16	16	$50,000 – 85,000	10	$50,000 - $85,000
Other					
Total*	27	27		14	

Are employees currently covered by a collective bargaining agreement?
If yes, Name and Local?
No

Are employees provided retirement benefits? ✓__ Yes __ No

Are employees provided health benefits? _✓_ Yes __ No

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

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.
To be determined upon selection of local Contractors

How will the project developer seek out and use the local workforce.
The Hudson Company has a deep network of contractors in the area.

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? ____TBD__✓

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 Support from the IDA will enable The Hudson Company to remain in Dutchess County as opposed to relocating to a less expensive region.

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.

Our lease at 2290 Route 199 expires in 2030 and the landlord will not be able to commit to a renewal at this time. Our hope is to remain local to Pine Plains and 2436 Route 83 is just two miles away from our current site. However, given that the construction and establishment of a mill manufacturing facility takes years, we must begin preparing immediately.

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:

_____

_____

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 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	
Print Name	Jamie Hammel
Title	President
Date	June 25, 2025

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	Jamie Hammel
Title	President
Date	June 25, 2025

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):

Principal Amount of Bonds	Percentage Fees
$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 20.000000	.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 if 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.

The Hudson Company

Name of Company

Jamie Hammel

Name:

President

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.

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.