

**INITIAL PROJECT RESOLUTION**

*(Port Chester OZ Fund III QOZB, LLC Project – 150 Westchester)*

A regular meeting of the Village of Port Chester Industrial Development Agency was convened on Wednesday November 9, 2022 at 6:30 p.m. at 222 Grace Church Street, Port Chester, New York 10573.

The following resolution was duly offered and seconded, to wit:

Resolution No. 11/2022 - \_\_

RESOLUTION OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY (THE “AGENCY”) (i) ACCEPTING THE APPLICATION OF PORT CHESTER OZ FUND III QOZB, LLC (THE “COMPANY”) IN CONNECTION WITH A PROPOSED PROJECT (AS FURTHER DESCRIBED HEREIN); (ii) AUTHORIZING THE SCHEDULING AND CONDUCT OF ONE OR MORE PUBLIC HEARINGS; AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY WITH RESPECT TO THE PROJECT

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 632 of the Laws of 1972 of the State of New York, as amended (hereinafter collectively called the “Act”), the **VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called “Agency”) was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **PORT CHESTER OZ FUND III QOZB, LLC**, for itself and/or a related entity or entities to be formed (collectively, the “Company”), has submitted an application to the Agency requesting the Agency’s assistance with a certain project (the “Project”) consisting of: (i) the acquisition by the Agency of a leasehold interest in certain parcels of real property located adjacent and near the corner of Westchester Avenue and New Broad Street in the Village of Port Chester, New York (the “Land”, being more particularly described as the following addresses and tax parcel numbers: 140 Westchester Avenue 142.30-2-65 and 148-150 Westchester Avenue 142.30-2-17, as may be merged) along with the existing improvements thereon consisting principally of various multi-story commercial and residential buildings, parking improvements, curbage and related site improvements (the “Existing Improvements”); (ii) the demolition of the Existing Improvements and the planning, design, construction, operation and leasing by the Company of a twelve story multi-tenanted, mixed use redevelopment project that will include: (a) approximately 223 residential apartment units consisting of studio, one-bedroom and two-bedroom dwellings, (b) approximately 4,800 square feet of ground floor commercial space to be leased as single or multi-tenanted mixed use commercial/retail space, (c) structured parking improvements providing for approximately 112 parking spaces, and (d) additional tenant amenity spaces, lobbies, common areas, green spaces, various subsurface structural improvements, roadway improvements, access and egress improvements, storm water

improvements, utility improvements, signage, curbage, sidewalks, and landscaping improvements (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Existing Improvements and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land, the Existing Improvements and the Improvements, the "Facility"); and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"); and

WHEREAS, the Agency is contemplating providing financial assistance to the Company with respect to the Project (collectively, the "Financial Assistance") in the form of: (A) an exemption from all State and local sales and use taxes with respect to qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction or equipping of the Facility; (B) mortgage recording tax exemption(s) relating to financings undertaken by the Company in furtherance of the Project, and (C) a partial real property tax abatement through one or more payment-in-lieu-of-tax agreements (collectively, the "PILOT Agreement"), pursuant to which the Company would make payments in lieu of real property taxes to each affected tax jurisdiction (collectively, the "Affected Tax Jurisdictions"); and

WHEREAS, the Agency intends to describe the Project, accept the Application, describe the forms of Financial Assistance contemplated by the Agency and authorize the scheduling and conduct of public hearing(s) pursuant to and in accordance with the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

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

(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) It is desirable and in the public interest for the Agency to (i) acquire title to or other interest in the Land, the Existing Improvements, Improvements and the Equipment constituting the Facility, (ii) lease or sell the Agency's interest in the Land, Existing Improvements, Improvements and Equipment constituting the Facility to the Company pursuant to a lease agreement or sale agreement to be negotiated, and (iii) enter into a Straight Lease Transaction and/or Sale Agreement; and

(C) Subject to the terms and conditions set forth within Section 4, hereof, the Agency has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Agency will induce the Company to undertake the Project, thereby increasing employment opportunities in the Village, and otherwise furthering the purposes of the Agency as set forth in the Act; and

(E) The Project will not result in the removal of a facility or plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's Application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other facility or plant to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

Section 2. The proposed financial assistance being contemplated by the Agency includes (i) an exemption from all state and local sales and use taxes with respect to the qualifying personal property included within the Project or used in the acquisition, construction or equipping of the Project; (ii) mortgage recording tax exemption(s) relating to financings undertaken by the Company in furtherance of the Project, and (iii) a partial real property tax abatement through one or more payment-in-lieu-of-tax agreements (the "PILOT Agreement"), pursuant to which the Company would make payments in lieu of real property taxes to the Affected Tax Jurisdictions.

Section 3. The Agency further authorizes the scheduling and conduct of one or more public hearings as required by Section 859-a of the Act (the "Public Hearings"). The Agency's scheduling and conduct of the Public Hearings shall be contingent upon: (i) the Company securing all necessary zoning, site plan and subdivision approvals necessary for the Project, and (ii) the Company funding an escrow account to pay all costs of the Agency incurred in connection with processing the Application and preparing necessary cost-benefit studies associated with same.

Section 4. The Agency's formal inducement to undertake the Project and approve the Financial Assistance shall be by one or more further resolutions of the Agency and shall be subject to the terms and conditions as are set forth therein.

Section 5. The Chairman, Vice Chairman and the Administrative Director of the Agency are hereby authorized and directed to negotiate, but not execute, certain lease agreements, the PILOT Agreement, and related documents to undertake the Straight Lease Transaction.

Section 6. Harris Beach PLLC, as Transaction Counsel for 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 conduct the Public Hearings and effect the authorization and undertaking of the Project.

Section 7. The Chairman, Vice Chairman and Administrative Director of the Agency are 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.

Section 8. This Resolution shall take effect immediately.

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

	<i>YEA</i>	<i>NEA</i>	<i>ABSTAIN</i>	<i>ABSENT</i>
Frank Ferrara	[ X ]	[ ]	[ ]	[ ]
Richard O'Connell	[ X ]	[ ]	[ ]	[ ]
Hon. John Allen	[ X ]	[ ]	[ ]	[ ]
James Taylor	[ X ]	[ ]	[ ]	[ ]
John Hiensch	[ X ]	[ ]	[ ]	[ ]
Hon. Juliana Alzate	[ X ]	[ ]	[ ]	[ ]
Michael Brescio	[ ]	[ ]	[ ]	[ X ]

The Resolution was thereupon duly adopted.

STATE OF NEW YORK )  
COUNTY OF WESTCHESTER ) SS:

I, the undersigned Secretary of the Village of Port Chester Industrial Development Agency, DO HEREBY CERTIFY:

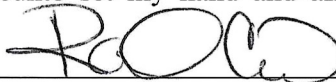
That I have compared the annexed extract of minutes of the meeting of the Village of Port Chester Industrial Development Agency (the "Agency"), including the resolution contained therein, held on November 9, 2022, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this \_\_\_ day of \_\_\_\_\_, 2022.

  
\_\_\_\_\_  
Secretary

