

**COMMERCIAL/RETAIL FINDINGS RESOLUTION
KINGSTONIAN DEVELOPMENT, LLC PROJECT**

A regular meeting of Ulster County Industrial Development Agency (the “Agency”) was convened on January 20, 2021 at 9:00 o’clock a.m., local time, in public session via video conference as authorized pursuant to Executive Order No. 202.1, as supplemented, issued by New York State Governor Andrew M. Cuomo, suspending provisions of Article 7 of the Public Officers Law that require public in-person access to public meetings and authorizing board members to participate in said meetings by conference call or similar service.

The meeting was called to order by the (Vice) Chair of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

- Chair
- Vice Chair/Assistant Treasurer
- Treasurer
- Secretary
- Assistant Secretary
- Assistant Secretary
- Chief Financial Officer/Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

- Rose Woodworth
- Chief Executive Officer
- Local Counsel
- Special Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1020 -

RESOLUTION (A) DETERMINING THAT THE PROPOSED KINGSTONIAN DEVELOPMENT, LLC PROJECT IS A COMMERCIAL PROJECT AND (B) MAKING CERTAIN FINDINGS REQUIRED UNDER THE GENERAL MUNICIPAL LAW.

WHEREAS, Ulster County Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 787 of the 1976 Laws of New York, as amended, constituting Section 923 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing

economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in June, 2020, Kingstonian Development, LLC, a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in certain parcels of land containing in the aggregate approximately 2.72 acres and located on Fair and North Front Streets in the City of Kingston, Ulster County, New York (collectively, the “Land”), together with the existing improvements located thereon (collectively, the “Existing Facility”); (2) the demolition of the Existing Facility; (3) the construction of a public access pedestrian plaza on the Land (the “Plaza Improvements”); (4) the construction of an approximately 420 car parking garage (the “Parking Facility”); (5) the construction on the Land of various improvements, including approximately 143 residential units, including approximately 14 affordable housing units; approximately 9,000 square feet of commercial space, and an approximately 32-room boutique hotel (collectively, the “Facility”); and (6) the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (collectively, the “Equipment”) (the Land, the Facility, the Plaza Improvements, the Parking Facility and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and operated as a mixed used residential, commercial, hotel, parking and retail facility, and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on September 9, 2020 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on September 21, 2020 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on (1) September 21, 2020 on the Agency’s website and (2) September 22, 2020 at the City of Kingston City Hall located at 420 Broadway in the City of Kingston, Ulster County, New York, (C) caused notice of the Public Hearing to be published on September 21, 2020 in the Daily Freeman, a newspaper of general circulation available to the residents of City of Kingston, Ulster County, New York, (D) as a result of the ban on large meetings or gatherings pursuant to Executive Order 202.1, as supplemented, and the suspension of the Open Meetings Law relating to public hearings pursuant to Executive Order 202.15, as supplemented, each as issued by Governor Cuomo in response to the novel Coronavirus (COVID-19) pandemic, conducted the Public Hearing on October 1, 2020 at 7:00 o’clock p.m., local time electronically via conference call and zoom video conference rather than in person, and (E) prepared a report of the Public Hearing (the “Public Hearing

Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on January 20, 2021 (the “Resolution Confirming SEQR Determination”), the Agency (A) concurred in the determination that the City of Kingston Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA, and (B) acknowledged receipt of a negative declaration from the Planning Board issued on December 16, 2019 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be prepared with respect to the Project; and

WHEREAS, in Opinion of the State Comptroller Number 85-51, the State Comptroller indicated that the determination whether a project that consists of the construction of an apartment house is a commercial activity within the meaning of the Act is to be made by local officials based upon all of the facts relevant to the proposed project, and that any such determination should take into account the stated purpose of the Act, that is, the promotion of employment opportunities and the prevention of economic deterioration; and

WHEREAS, to aid the Agency in determining whether the Project qualifies for Financial Assistance as a commercial project within the meaning of the Act, the Agency has reviewed the following (collectively, the “Project Qualification Documents”): (A) the Application, including the attached Cost Benefit Analysis; (B) an economic and fiscal impact analysis prepared by Camoin Associates in February, 2019 (the “Economic Benefit Analysis”), (C) a cost benefit analysis prepared by the Agency, and (D) a report entitled “Analysis of Proposed Kingstonian Project” prepared by National Development Council dated October, 2020; and

WHEREAS, the Agency has given due consideration to the Project Qualification Documents, and to representations by the Company that although the Project constitutes a project that includes facilities or property, or portions of facilities or property, that are used in making retail sales to customers who personally visit such facilities, the Project is located within census tract 9542, a census tract in the City of Kingston which is considered to be a distressed census tract and therefore is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act; and

WHEREAS, pursuant to Section 862(2)(b) of the Act, the Agency would be authorized to provide financial assistance in respect of the Project provided that the obligation of the Agency to proceed with the Project was subject to certain conditions, including (1) following compliance with the procedural requirements of Section 859-a of the Act, a finding by the Agency that the Project would preserve permanent, private sector jobs in the State of New York or increase the overall number of permanent, private sector jobs in the State of New York and (2) confirmation by the County Executive of Ulster County, New York (the “County Executive”) of the proposed action by the Agency with respect to the Project; and

WHEREAS, having complied with the requirements of SEQRA and Section 859-a of the Act with respect to the Project, the Agency now desires, pursuant to Section 862(2)(c) of the Act, to make its final findings with respect to the Project and its final determination whether to proceed with the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project and such further investigation of the Project and its economic effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project:

A. The Project is located in an urban area having a mixture of residential, not-for-profit, commercial, retail, and service uses.

B. The Economic Benefit Analysis makes the following comments/findings regarding the impact of the mixed-use development, including, but not limited to, housing, hotel, commercial space, plaza and parking garage in the City of Kingston, Ulster County:

- Increase housing density and diversity to Ulster County's urban center
- Increase new rental units that are in demand
- Create high-end rental units
- Increase upscale, luxury, walkable lodging option which is in demand
- Create much needed parking options
- Increase job opportunities
- Attract a significant number of visitors/customers from outside the Mid-Hudson Economic Development Region

C. That undertaking the Project is consistent with the Economic Benefit Analysis and will assist and maintain current and future residential and commercial development and expansion in the neighborhood area.

D. The Company has informed representatives of the Agency that the Project is expected to create approximately forty (40) full time permanent, private sector jobs.

E. The Company has informed representatives of the Agency that the Company is not aware of any adverse employment impact caused by the undertaking of the Project.

Section 2. Based upon the foregoing review of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its economic effects as the Agency has deemed appropriate, the Agency makes the following determinations with respect to the Project:

A. That although the Project does constitute a project which includes facilities or property, or portions of facilities or property, that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located in a "highly distressed area" (as defined in the Act).

B. That (1) the Project Facility will provide necessary infrastructure for area employers and businesses, (2) the completion of the Project Facility will have an impact upon the creation, retention and expansion of employment opportunities in Ulster County and in the State of New York, and (3) the completion of the Project will assist in promoting employment opportunities and assist in preventing economic deterioration in Ulster County and in the State of New York.

C. That the acquisition, construction, reconstruction, renovation and installation of the Project Facility is essential to the retention of existing employment and the creation of new

employment opportunities and is essential to the prevention of economic deterioration of businesses and neighborhoods located in Ulster County.

D. That the Project constitutes a “commercial” project, within the meaning of the Act.

E. That the undertaking of the Project will serve the public purposes of the Act by preserving and creating permanent private sector jobs in the State of New York.

Section 3. Having reviewed the Public Hearing Report, and having considered fully all comments contained therein, and based upon the findings contained in Section 1 above, the Agency hereby determines to proceed with the Project and the granting of the financial assistance described in the notice of the Public Hearing; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the County Executive, as chief executive officer of the Ulster County, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

Section 4. 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:

James Malcolm	VOTING	_____
Faye Storms	VOTING	_____
Diane Eynon, Ph.D.	VOTING	_____
Michael J. Ham	VOTING	_____
Orlando Reece	VOTING	_____
Daniel Savona	VOTING	_____
Richard O. Jones	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of Ulster County Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 20, 2021 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), except as modified by Executive Order 202.1, as supplemented, said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present, either in-person or appearing telephonically in accordance with Executive Order 202.1, as supplemented, 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this _____ day of January, 2021.

(Assistant) Secretary

(SEAL)