

PROJECT AUTHORIZING RESOLUTION

(Liaskos – Hotel Development Project)

A regular meeting of City of Peekskill Industrial Development Agency was convened on Monday, July 28, 2008 at 6:30 p.m..

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

Resolution No. 2008-04

RESOLUTION AUTHORIZING THE CITY OF PEEKSKILL INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) DISPOSE OF BY FEE TITLE OR A LEASEHOLD INTEREST IN A CERTAIN PARCEL OF REAL PROPERTY (THE "LAND", AS MORE PARTICULARLY DESCRIBED HEREIN); (ii) NEGOTIATE AND ENTER INTO CERTAIN AGREEMENTS WITH GEORGE LIASKOS, AND/OR AN ENTITY OR ENTITIES TO BE FORMED (THE "COMPANY") AND APPOINT THE COMPANY, OR ITS DESIGNEE, AS ITS AGENT TO UNDERTAKE A CERTAIN PROJECT (AS FURTHER DESCRIBED HEREIN); (iii) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF (A) A SALES AND USE TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE UNDERTAKING OF THE PROJECT, (B) A PARTIAL REAL PROPERTY TAX ABATEMENT THROUGH A PILOT AGREEMENT, AND (C) A MORTGAGE RECORDING TAX EXEMPTION FOR FINANCING RELATED TO THE PROJECT; (iv) MAKE FINDINGS PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT ("SEQRA"); AND (v) EXECUTE AND DELIVER 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 671 of the Laws of 1974 of the State of New York, as amended (hereinafter collectively called the "Act"), the **CITY OF PEEKSKILL 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 civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **GEORGE LIASKOS**, individually, for himself or on behalf of an entity to be formed (collectively, the "Company"), has submitted an application (the "Application") to the Agency, copies of which were presented at this meeting and a copy of which is on file at the office of the Agency, requesting that the Agency undertake a certain project (the "Project") consisting of: (i) the acquisition or retention of title to or a leasehold interest in an approximately 1.25 acre vacant parcel of real property located on John E. Walsh Boulevard in the City of Peekskill, New York (such 1.25 acre parcel being further identified as TMID No. 32.19-1-4.2 and hereinafter referred to as the "Land"); (ii) the acquisition, construction and equipping by the Company as agent of the Agency of a 72 room hotel facility (the "Improvements"), (iii) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property, related furniture, fixtures and equipment (the

"Equipment" and, together with the Land and the Improvements, the "Facility"); (iv) the planning, design, construction, acquisition and installation in and around the Land and the Facility of certain infrastructure improvements, including, but not limited to water supply, sewerage, gas supply, electric supply and transportation improvements (collectively, the "Infrastructure Improvements"); and (v) the sale or lease (with an obligation to purchase) of the Facility to the Company; and

WHEREAS, pursuant to Article 18-A of the General Municipal Law, the Agency accepted the Application by resolution adopted April 10, 2008 (the "Initial Resolution") wherein the Agency (i) described the Project; (ii) described the financial assistance that the Agency is contemplating with respect to the Project; (iii) authorized the issuance of a Notice of Disposition with respect to the Land pursuant to the Public Authorities Law ("PAL"); (iv) identified the contemplated financial assistance to be provided to the Company in connection with the Project; and (v) authorized the Agency's scheduling and conduct of a public hearing; and

WHEREAS, pursuant to and in accordance with the Act, the Agency duly scheduled, noticed and conducted a public hearing relating to the Project on June 17, 2008, at 6:00 p.m. local time, at City Hall, Peekskill, New York, with respect to the Project and the proposed financial assistance being contemplated by the Agency (the "Public Hearing") whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views; and

WHEREAS, the Agency has (i) negotiated a Purchase and Sale Agreement (the "Purchase and Sale Agreement") relating to the disposition of the Land to the Company in Furtherance of the Project; (ii) negotiated a certain Site Access and Agent Agreement along with Lease Agreement (the "Lease Agreement"), and payment-in-lieu-of-tax agreement (the "PILOT Agreement") with the Company, (ii) reviewed the terms by which the Agency shall retain title to or a leasehold interest in the Land, the Improvements, the Equipment and personal property constituting the Project, and (iii) discussed and reviewed the provision of financial assistance (the "Financial Assistance") to the Company in the form of (a) sales and use tax exemption for purchases and rentals related to the undertaking of the Project, (b) a partial real property tax abatement through the PILOT Agreement, and (c) a mortgage recording tax exemption for the financing related to the Project; and

WHEREAS, the City of Peekskill (the "City"), by resolution adopted on May 12, 2008, identified the Project as an "Unlisted Action" as said term is defined under the State Environmental Quality Review Act and the regulations of the New York State Department of Environmental Conservation adopted thereunder (collectively, "SEQRA") and the Company has submitted to the Agency an Environmental Assessment Form (the "EAF") in compliance with Article 8 of SEQRA with respect to the Project, a copy of which is attached hereto as Exhibit A; and

WHEREAS, the Company previously represented to the Agency that the Project is likely to attract a significant number of visitors from outside the economic development region (as established by Section 230 of the New York State Economic Development Law), and therefore the Project constitutes a "tourism destination" as defined in Section 862(2) of the Act; and

WHEREAS, the Agency, as current owner of the Land, and in furtherance of the disposition of the Land to the Company in furtherance of the Project through a negotiated disposition, as permitted pursuant to the PAL, duly transmitted a notice of negotiated disposition to required public entities on May 8, 2008; and

WHEREAS, pursuant to the Act, the Agency, among other things, desires to authorize the undertaking of the Project and appoint the Company its agent to undertake same.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's 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 appoint the Company as its agent for purposes of acquiring, constructing and equipping the Project; and

(C) 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 develop the Project, thereby increasing employment opportunities in the City, 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 civic, commercial, industrial, or manufacturing 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 plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

(F) The City has identified the Project, which involves the acquisition of the Land and undertaking of the Project, as an "unlisted action", as such quoted term is defined pursuant to SEQRA, for which the City has conducted an uncoordinated review. Based upon the review by the Agency of the City's findings, the EAF and related documents delivered by the Company to the Agency and other representations made by the Company to the Agency in connection with the Project, the Agency hereby finds that (i) the Project will result in no major impacts and, therefore, is one which may not cause significant damage to the environment; (ii) the Project will not have a "significant effect on the environment" (as such quoted term is defined under

SEQRA); and (iii) no "environmental impact statement" (as such quoted term is defined under SEQRA) need be prepared for this action. This determination constitutes a ratification of the City's SEQRA findings, dated May 12, 2008, such findings constituting a "negative declaration" (as such quoted terms are defined under SEQRA) and no further SEQRA review is necessary.

(G) Subject to the Company executing the Site Access and Agent Agreement and/or Lease Agreement and the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, renovation, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency: (i) to acquire, renovate, construct and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf.

Section 2. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to negotiate, execute and deliver (A) the Purchase and Sale Agreement and Site Access and Agent Agreement, each as of the date of this Resolution; (B) on or after August 7, 2008, the Lease Agreement (and/or Bargain and Sale Deed, Lease Agreement and Leaseback Agreement, with assignment rights subject to approval and written consent of the Agency) conveying the Land and Project to the Company and (C) on or after August 7, 2008, the PILOT Agreement; *provided, however*, that (i) the rental payments under the Lease/Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy *or* the procedures for deviation have been complied with. The Agency further authorizes the execution and delivery of a license agreement in favor of the Company to allow for Project-related activities to be carried out upon and within the Land prior to

Section 3. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby further authorized, on behalf of the Agency, to execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project and/or finance/refinance acquisition and Project costs, equipment and other personal property and related transactional costs (hereinafter, with the Purchase and Sale Agreement, Site Access and Agent Agreement, Bargain and Sale Deed, Lease Agreement, Leaseback Agreement, PILOT Agreement and related documents, collectively, the "Agency Documents") and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or the Executive Director of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman or the Executive Director of the Agency to constitute conclusive evidence of such approval;

provided, in all events, recourse against the Agency is limited to the Agency's interest in the Project.

Section 4. 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 and to execute and deliver all such certificates, instruments and documents, to 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 resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 5. 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:

	<u>Yea</u>	<u>Nea</u>	<u>Absent</u>	<u>Abstain</u>
Vincent C. Vesce	[X]	[]	[]	[]
Mel Burruss	[]	[]	[X]	[]
Carolyn R. Geisel	[X]	[]	[]	[]
Frances Gibbs	[X]	[]	[]	[]
William Schmidt	[X]	[]	[]	[]
Arun Manansingh	[]	[]	[]	[X]
Enid L. Carruth	[X]	[]	[]	[]
Michael Anzovino	[]	[]	[X]	[]

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF WESTCHESTER) SS:

I, the undersigned Deputy Director of the City of Peekskill Industrial Development Agency, DO HEREBY CERTIFY:

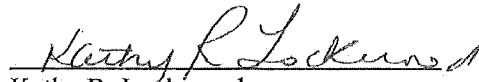
That I have compared the annexed extract of minutes of the meeting of the City of Peekskill Industrial Development Agency (the "Agency"), including the resolution contained therein, held on July 28, 2008, with the original thereof on file in my office, and that the same is a true and correct copy of 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 20 day of August, 2012.


Kathy R. Lockwood
Deputy Director

[SEAL]

**CITY OF PEEKSKILL
INDUSTRIAL DEVELOPMENT AGENCY**

A Special Meeting of the Peekskill Industrial Development Agency was held on Tuesday April 6, 2010 at City Hall, 840 Main Street, Peekskill, NY 10566.

Present: Arun Manansingh, Charles Jennings, Deborah Post, Mel Burruss, Frances Gibbs, Alan Kravitz and Nicholas Misch

Absent: None

Staff Present: Brian O. Havranek, Kathy R. Lockwood; William Florence; Christopher Marra, Jesse Boyd and Gloria A. Zonghetti

Also Present: George Liaskos, Hotel Corp., LLC

Mr. Manansingh declared the meeting open at 7:58 P.M.

Hotel Corp. LLC/George Liaskos – Holiday Inn Express Project Update

The Access Agreement expired on April 1, 2010 and the Purchase and Sale Agreement will expire on May 1, 2010. Mr. Liaskos has come before this Board to request a six month extension on both of these agreements. As the Board is presently comprised of many new members who were not on the Board at the onset of this project, Mr. Liaskos gave a brief history of the project and the reasons for his extension request. He began by explaining a "Green Building" and how such a building works, citing its energy efficiency, cost efficiency and ability to recycle and reuse without skimping on the luxuries that guests would expect. Additionally, Mr. Liaskos discussed his difficulty in obtaining financing in the current market but assured all that he is working with a broker and once financing is obtained he estimates that the hotel could up and operation within 7-9 months. The hotel will consist of 74 units, pool, exercise room, business center, board room, meeting room, breakfast area and great room. He went on to say that each room will be equipped with wireless access. Also, he anticipates hiring from the immediate area. Mr. Liaskos stated that he will be receiving his certification from the Holiday Inn Co., to manage the hotel. He then fielded questions from the Board. Mr. Havranek advised that the Access Agreement expired on April 1, 2010 and that the Purchase and Sale Agreement will expire on May 1, 2010, should the Board only desire to address the Access Agreement at this meeting another meeting could be held at the end of the month to address the Purchase and Sale Agreement. Mr. Havranek additionally advised the Board that the Purchase and Sale Agreement contains an allowance for two additional 6 month extensions.

Mr. Misch made a motion to enter into Executive Session to discuss lease negotiations. The motion was seconded by Ms. Gibbs and carried unanimously. The Board entered Executive Session at 8:32 PM.

Mr. Jennings made a motion to come out of Executive Session and resume the meeting. The motion was seconded by Ms. Post and carried unanimously. The Board came out of Executive Session and resumed the regular meeting at 9:08 PM.

Mr. Liaskos returned to the meeting and was advised by the Board that the extensions for the Access Agreement and the Purchase and Sale Agreement would be considered provided that Mr. Liaskos provide staff with a valid insurance certificate. Mr. Florence stated that the insurance certificate should read that both the City of Peekskill and the Peekskill IDA are to be the additional insured and that coverage is 'as if no other insurance existed for the added insureds'. This insurance certificate must be provided before Mr. Liaskos will be permitted access to the property. Additionally he must produce a valid Franchise Agreement with Holiday Inn showing no lapse during the extension period and that he remit payment to Harris Beach in the amount of 50% of their bill within 30 days.

Mr. Jennings made a motion to grant a six month extension to the Access Agreement and to the Purchase and Sale Agreement provided that Mr. Liaskos provide staff with a valid insurance certificate which reads that both the City of Peekskill and the Peekskill IDA are to be the additional insured and that coverage is 'as if no other insurance existed for the added insureds'; and that this insurance certificate must be provided before Mr. Liaskos will be permitted access to the property; that Mr. Liaskos produce a valid Franchise Agreement with Holiday Inn showing no lapse during the extension period; and that he remit payment to Harris Beach in the amount of 50% of their bill within 30 days. The motion was seconded by Mr. Kravitz. No further discussion was held and the motion carried unanimously.

Ms. Post made a motion to adjourn the meeting. Said motion was seconded by Ms. Gibbs. The motion passed unanimously and Mr. Manansingh declared the meeting adjourned at 9:17 PM.

**CITY OF PEEKSKILL
INDUSTRIAL DEVELOPMENT AGENCY**

A Meeting of the Peekskill Industrial Development Agency was held on Wednesday October 27, 2010 at City Hall, 840 Main Street, Peekskill, NY 10566.

Present: Arun Manansingh, Charles Jennings, Mel Burruss, Frances Gibbs, Alan Kravitz and Nicholas Misch

Absent: Deborah Post

Staff Present: Brian O. Havranek, Kathy R. Lockwood, William Florence; Christopher Marra, Jesse Boyd; Justin Miller, Esq., Harris Beach PLLC; and Gloria A. Zonghetti

Mr. Manansingh declared the meeting open at 7:10 P.M.

Minutes – September 21, 2010

Mr. Misch made a motion to adopt the September 21, 2010 minutes as presented. Said motion was seconded by Mr. Kravitz. No further discussion was held and the motion carried unanimously.

Hotel Corp., LLC – Holiday Inn Express – Extend Purchase and Sale Agreement and Site Access Agreement

Mr. Havranek gave a brief recap of the issues and concerns discussed at the last PIDA meeting. He advised that before grating the requested extension, provided for in the contract, it was agreed that Mr. Liaskos bring all outstanding bills current. Accordingly, Harris Beach LLC has submitted, for the Board to review, a copy of their bill for services rendered with regard to this project. The private financiers have been in touch with staff and staff has expressed to them that the City and the PIDA are behind the project and will be amenable to have discussions regarding lending. Mr. Havranek explained the difference between full LEED certification and partial LEED certification as it pertains to "bonus density". He further explained that LEED certification is defined as either "Platinum", "Gold", "Silver" and "LEED" and that each certification is based on the number of units. Additionally, Mr. Havranek advised that although Mr. Liasko's plan at present is for "Platinum" LEED certification, if that goal is unattainable and would deter financing then both Mr. Liaskos and the City would be flexible with regard to the plan and the LEED certification. Mr. Havranek would also like the minutes to reflect that all outstanding bills have been brought current and that additionally; Mr. Liaskos has agreed to clear the property of weeds and overgrowth and other vegetation.

Mr. Kravitz made a motion to grant the extension of the contract to May 1, 2011 contingent on payment of all outstanding fees together with the cleanup of the property of excess weeds, overgrowth and other vegetation pursuant to City standards (regarding weeds/overgrowth and vegetation). The motion was seconded by Mr. Misch. No further discussion was held and the motion passed unanimously.

Adopt 2011 Budget

Mr. Havranek recapped the issues and concerns regarding the proposed Budget that were discussed at the last meeting and explained how they were addressed/reflected in the Budget being presented for adoption at this meeting. The Board again addressed the Budget line for TV production. The Board was reminded that as yet they have not made a motion to televise the meetings and if they desire to televise the meetings then a formal motion would be required. The Board proceeded to discuss expense and proposed that a line be dedicated to videotaping should the Board determine to televise meetings. It was decided to leave the budget line in the Budget. Mr. Kravitz expressed concern regarding the expense and further advised that he believed the money would be better spent marketing properties. Ms. Gibbs concurred and after additional discussion by the Board it was decided that the issue required further investigation and research prior to any final determination. Ms. Gibbs requested that Mr. Havranek convey to the Common Council, on behalf of the Board, their concerns regarding the expense. Mr. Manansingh made an inquiry regarding the budget line for videotaping and asked if the line were left in the Budget and not used, could the monies be allocated for something else? Staff advised that the line could be left in the Budget and renamed "unclassified" and then it could be used for any expense, including televising the meetings. The Board preferred to move the monies allocated for videotaping to the "marketing and communications" line. This preference was agreed too. The Board again requested that Mr. Havranek express to the Common Council their concerns regarding the cost of videotaping/televising meetings as opposed to utilizing the monies available to them for promotion of properties.

Mr. Kravitz made a motion to adopt the budget as amended with the removal of the budget line entitled "Unclassified-MJM TV Production" and to move the \$3,300 budgeted for that line to the line entitled "Marketing & Communication" for a total in that line of \$8,300.00. The motion was seconded by Mr. Misch. No further discussion was held and the motion passed unanimously.

Mr. Misch made a motion to enter into Executive Session to discuss the Drum Hill PILOT. The motion was seconded by Ms. Gibbs and passed unanimously. The Board entered into Executive Session at 7:50 pm.

Mr. Kravitz made a motion to come out of Executive Session and resume the regular meeting. The motion was seconded by Ms. Gibbs and passed unanimously. The Board came out of Executive Session and resumed the regular meeting at 8:22 pm.

Mr. Kravitz made a motion to, on November 9, 2010, authorize the PIDA Staff to schedule a public hearing regarding the Drum Hill PILOT Agreement contingent on the Common Council passing a resolution regarding said PILOT on November 8, 2010. The motion was seconded by Mr. Misch. No further discussion was held and the motion passed unanimously.

Mr. Manansingh declared the meeting adjourned at 8:25 PM.

**CITY OF PEEKSKILL
INDUSTRIAL DEVELOPMENT AGENCY**

A meeting of the City of Peekskill Industrial Development Agency was held on Tuesday, June 7, 2011, at City Hall, 840 Main Street, Peekskill, NY 10566.

Present: Charles Jennings, Deborah Post, Frances Gibbs, Alan Kravitz and Nicholas Misch

Absent: Arun Manansingh and Mel Burruss

Staff Present: Brian O. Havranek, Kathy R. Lockwood, Jessie Boyd; Justin Miller, Harris Beach LLC; William Florence, Jr., Esq. and Gloria A. Zonghetti

Also Present: George Liaskos, Holiday Inn Express; Matthew Judge, Marathon Development; Lee Balter and Eliot Roy Singer.

Mr. Manansingh declared the meeting open at 7:05 P.M.

Minutes – April 20, 2011

Mr. Kravitz made a motion to adopt the April 20, 2011 minutes as presented. Said motion was seconded by Mr. Misch. Mr. Misch then referred to a portion of the minutes wherein Mr. Liaskos was to e-mail information to Mr. Havranek and inquired if that information had been received. Mr. Havranek advised that he had only recently received the information and will forward it to the Board via e-mail. No further discussion was held and the motion carried unanimously.

Peekskill Plaza – Rent Increase – Revised Application

Mr. Judge gave a brief recap of the process and advised of HUD's response to their application which requires that they resubmit their application for a rent increase and outlining the reasons for the resubmission so that the application can be processed. The Board inquired regarding the Section 8 and hardship issues presented by the various tenants. Mr. Judge advised of their respective options. Mr. Havranek advised the Board regarding funding and Mr. Misch paraphrased what he surmised was the reason for the request for the rent increase and stated that it was the previous management company's error in that they did not apply for the appropriate increases each year, and that this will not be an issue under the new management company, and the Board should not receive such a request for rent increase in the future. Mr. Judge concurred that Mr. Misch summary of the issue is correct. Ms. Post asked that it be placed in the Board's letter that there be annual increases as prescribed and as opposed to this burdensome impact on the tenants. There was no objection to including such language in the Board's letter to HUD but it was decided that the language should read "evaluate the rent" instead of "increase the rent". Ms. Lockwood advised that she would put language together and e-mail a proposed letter to the Board prior to sending it out.

Mr. Kravitz made a motion submit another letter to present to HUD with Peekskill Plaza's revised application for a rent increase. The motion was seconded by Ms. Post. No further discussion was held and the motion carried unanimously.

Hotel Corp. LLC – George Liaskos – Request to extend Purchase and Sale Agreement and Site Access Agreement

Mr. Havranek referred to his memo requesting that the PIDA consider a one year extension on the Purchase and Sale agreement with Mr. Liaskos and that this extension be granted on a conditional basis with such conditions to be made part of any extension agreement and that the agreement expire within one year (June 30, 2012). Mr. Havranek then discussed his inspection of the construction site and advised what would be expected of Mr. Liaskos regarding maintenance of the site should an extension be granted and that such requirement for maintenance would be in accordance with the Board's requests. Mr. Havranek advised the Board that Mr. Liaskos was present should they have any questions for him. Mr. Balter asked to be heard with regard to the Board's consideration of a request to extend the Purchase and Sale Agreement with Mr. Liaskos. The Board granted Mr. Balter the floor. Mr. Balter spoke to the condition of the site and expressed his objection to any extension of the Purchase and Sale Agreement for a one year period adding that he has experienced a decrease in renters of his building and citing the construction site as an additional cause. Ms. Post asked Mr. Balter what he would like to see done at the property and Mr. Balter offered a few suggestions. Mr. Singer also requested the opportunity to address the Board regarding this extension request. He too was granted the opportunity to speak and also expressed his objections to the extension stating his reasons for such objection also citing a decrease in tenancy in his building. Additionally, Mr. Singer objected to the fencing and slatting of the fencing as a cure for the issue citing security reasons as the area is very dark in the evenings. Further he expressed concern of decreasing property values in the area. Mr. Liaskos responded to these objections and presented the Board with additional information. Ms. Post asked questions regarding the condition of the site and Mr. Miller attempted to answer her questions with regard to the minimum legal requirements for fencing and landscaping a construction site. The Board considered asking Mr. Liaskos to post a bond which would allow the PIDA to address the conditions of the property if the extension is granted and then expires without reaching fruition. Mr. Havranek cited the proposed resolution and advised that it could be amended to include any additional language the Board deems appropriate.

Ms. Gibbs made a motion to enter into Executive Session to discuss real estate negotiations regarding Hotel Corp., LLC's request for an extension of the Purchase and Sale Agreement. The motion was seconded by Mr. Misch and carried unanimously. The Board entered into Executive Session at 7:45 pm.

Mr. Misch made a motion to come out of Executive Session and resume the regular meeting. The motion was seconded by Mr. Kravitz and carried unanimously. The Board exited Executive Session at 8:20 pm

Mr. Kravitz made a motion to grant Mr. Liaskos a six month extension on the Purchase and Sale Agreement on condition that he post a bond at the three month mark in an amount to be provided to the Board prior to June 30, 2011, and include a "Hold Harmless" clause to protect the City and the PIDA should an attempt be made to bring suit against them; said bond to be for the purposes of securing funds to cover any cost for restoration of the site, as well as for any legal fees; and maintenance of the property is to be completed prior to June 30, 2011, as it will be noted that any future violations on the property will be the responsibility of Mr. Liaskos (subject to proper recourse) and subject to the termination of the contract should a breach occur. The motion was seconded by Mr. Misch. No further discussion was held and the motion passed unanimously.

2011 Budget Update

Ms. Gibbs made a motion to table the 2011 Budget update to the next meeting. The motion was seconded by Ms. Post. No further discussion was held and the motion carried unanimously.

Mr. Kravitz made a motion to enter into Executive Session to discuss real estate negotiations regarding Excel Maintenance Corp. The motion was seconded by Ms. Post and carried unanimously. The Board entered into Executive Session at 8:30 pm.

Mr. Kravitz made a motion to come out of Executive Session and resume the regular meeting. The motion was seconded by Mr. Misch and carried unanimously. The Board exited Executive Session at 9:10 pm

Mr. Misch made a motion to adjourn the meeting. The motion was seconded by Ms. Gibbs. No further discussion was held and the motion carried unanimously.

The meeting was closed at 9:11 PM.

**CITY OF PEEKSKILL
INDUSTRIAL DEVELOPMENT AGENCY**

A meeting of the City of Peekskill Industrial Development Agency was held on Thursday October 6, 2011, at City Hall, 840 Main Street, Peekskill, NY 10566.

Present: Arun Manansingh, Charles Jennings, Deborah Post, Frances Gibbs, Alan Kravitz and Nicholas Misch

Absent: Mel Burruss

Staff Present: Brian O. Havranek, Kathy R. Lockwood, Jessie Boyd, William Florence, Jr., Esq. James Slaughter, Economic Development and Gloria A. Zonghetti

Also Present: George Liaskos, Holiday Inn Express Project; Mary Foster, Mayor.

Mr. Manansingh declared the meeting open at 7:30 P.M.

Minutes – August 31, 2011

Mr. Manansingh inquired regarding the new Economic Developer for the City of Peekskill. Mr. Havranek introduced James Slaughter to the Board. He then went on to advise the Board of an upcoming meeting to discuss the marketing of City properties. Mr. Slaughter then briefly presented his background and fielded questions from the Board.

Mr. Misch made a motion to adopt the August 31, 2011 minutes as presented. Said motion was seconded by Ms. Gibbs. No further discussion was held and the motion carried with Mr. Jennings abstaining.

Annual Financial Disclosure Filing

Ms. Lockwood and Mayor Foster advised the Board that by State and Local Law they are exempt from filing an Annual Financial Disclosure Statement. The Mayor went on to say that the Common Council cannot compel the Board to adopt their policy, but the Board could choose to adopt the Common Council's policy, continue with their own policy or amend their policy. Mr. Havranek and Ms. Lockwood suggested that in accordance with whatever the Board decides they could have Justin Miller draw up, in draft form, the necessary paperwork. The Board agreed that in the spirit of full disclosure they would consider the matter and their options. Ms. Lockwood said she would provide copies of the Board's Financial Disclosure Statement, the City's Financial Disclosure Statement and the State's Financial Disclosure Statement for the Board's consideration.

2012 Proposed Budget

Mr. Boyd gave a brief synopsis of the proposed budget. He presented the proposed budget line by line and addressed questions and concerns from the Board as they arose. Mr. Havranek explained the Marketing and Communications line and future plans regarding attending the Jacob Javitz Center in New York in November. Additionally, Mr. Havranek is requesting authority to expend between and \$3,000 and \$5,000 dollars from that line in order to put together a marketing package to present at the conference/symposium at the Jacob Javits Center. The

Board advised that they desired to complete the presentation of the proposed budget and address Mr. Havranek's request afterward. A question was raised regarding the 2010 Actual of the Unclassified – MJM TV production expenditure. (Ms. Lockwood and Mr. Boyd researched the issue and returned with a clarification for the Board.) No further discussion was held with regard to the proposed budget and Mr. Havranek's request regarding authorization for the expenditure. Mr. Kravitz made a motion to authorize the expenditure not to exceed \$5,000.00 to put together promotional marketing packages to distribute at the conference/symposium at the Jacob Javits Center. Said motion was seconded by Mr. Misch. No further discussion was held and the motion carried unanimously.

Hotel Corp. LLC – George Liaskos - Update

Mayor Foster was present to address the Board and advise that the Common Council is behind this project. She further explained that her purpose for attending this meeting is to ascertain from the Board their issues and concerns regarding moving forward with this project so that she may bring these issues and concerns to the Common Council. Mr. Havranek clarified the e-mail which was sent out to the Board and outlined the matters to be discussed tonight and the proposals/propositions on how to best move forward with this project. Mr. Havranek explained that he has a company that will submit an estimate on the cost to fill in the excavation of the land and this can be presented to the Board for discussion regarding financial security to address restoration of the site in the event this project defaults. Mr. Liaskos advised that the upkeep of the site in accordance with the illustration submitted could be completed by the end of November. He then fielded additional questions from the Board with regard to the present condition of the site and the proposed fencing. Mr. Kravitz asked about lighting in the area sighting security and safety concerns for those persons traversing the area during the evening hours. Mr. Havranek addressed the question and advised that once the fence is moved there will be no obstruction and if private owners desire additional lighting on their private property they must provide it themselves. Ms. Post suggested it might be a good idea to get input from the neighbors. Mr. Liaskos advised how the excavation would be addressed should restoration of the site become a reality. He further explained the financing and confirmed how it would be less than the \$50,000 originally requested. Mayor Foster addressed some of the concerns of the Board and again expressed the Council's support of the project.

Mr. Kravitz made a motion to extend Mr. Liaskos time to revamp the site and post the security for restoration of the excavation of the site from September 30, 2011 an additional two months to November 30, 2011. The motion was seconded by Ms. Gibbs. No further discussion was held and the motion carried unanimously.

Mr. Havranek again addressed the issue of the site and confirmed that Mr. Liaskos will revamp the site and post the security on or before November 30th and that consideration will be given regarding the condition of the site, the economy and the posting of the security.

Mr. Kravitz made a motion to enter into Executive Session to discuss real estate negotiations, Hotel Corp., LLC issues and RESCO. The motion was seconded by Ms. Gibbs and carried unanimously. The Board entered into Executive Session at 8:48 pm.

Mr. Misch made a motion to come out of Executive Session and resume the regular meeting. The motion was seconded by Mr. Jennings and carried unanimously. The Board exited Executive Session at 9:07 pm

Ms. Post made a motion to adjourn the meeting. The motion was seconded by Mr. Kravitz. No further discussion was held and the motion carried unanimously.

The meeting was closed at 9:08 PM.

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RESOLUTION
(Liaskos – Hotel Development Project)

A regular meeting of City of Peekskill Industrial Development Agency was convened on Tuesday December 13, 2011 at 7:00 p.m..

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

Resolution No. 12-01

RESOLUTION AUTHORIZING THE CITY OF PEEKSKILL INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING (i) THE EXTENSION OF A CERTAIN PURCHASE AND SALE AGREEMENT WITH EXCLUSIVE OPTION AND RELATED AGENT AND SITE ACCESS AGREEMENT RELATING TO A PROJECT (AS MORE PARTICULARLY DESCRIBED HEREIN) TO BE UNDERTAKEN BY HOTEL, LLC (THE "COMPANY") AS AGENT OF THE AGENCY; (ii) THE EXTENSION OF THE AGENCY'S PRIOR INDUCEMENT AND AUTHORIZATION OF THE PROJECT ALONG WITH THE COMPANY'S AGENT STATUS; AND (iii) THE EXECUTION AND DELIVERY 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 671 of the Laws of 1974 of the State of New York, as amended (hereinafter collectively called the "Act"), the **CITY OF PEEKSKILL 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 civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **GEORGE LIASKOS**, individually, for himself or on behalf of HOTEL, LLC (collectively, the "Company"), previously requested that the Agency undertake a certain project (the "Project") consisting of: (i) the acquisition or retention of title to or a leasehold interest in an approximately 1.25 acre vacant parcel of real property located on John E. Walsh Boulevard in the City of Peekskill, New York (such 1.25 acre parcel being further identified as TMID No. 32.19-1-4.2 and hereinafter referred to as the "Land"); (ii) the acquisition, construction and equipping by the Company as agent of the Agency of a 72 room hotel facility (the "Improvements"), (iii) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property, related furniture, fixtures and equipment (the "Equipment" and, together with the Land and the Improvements, the "Facility"); (iv) the planning, design, construction, acquisition and installation in and around the Land and the Facility of certain infrastructure improvements, including, but not limited to water supply, sewerage, gas supply, electric supply and transportation improvements (collectively, the "Infrastructure Improvements"); and (v) the sale or lease (with an obligation to purchase) of the Facility to the Company; and

WHEREAS, in furtherance of the Project and the disposition of the Land to the Company in furtherance of the Project; the Agency and the Company entered into (i) a certain Purchase

and Sale Agreement with Exclusive Option, dated as of February 1, 2009 (the "Purchase and Sale Agreement") relating to the disposition of the Land to the Company, and (ii) a certain Agent and Site Access Agreement, also dated as of February 1, 2009 (the "Access Agreement"), wherein the Company was granted access rights to the Land to begin preliminary construction activities; and

WHEREAS, while the Company has initiated development of the Project pursuant to the Access Agreement, the Company has yet to secure a commitment for financing, as required pursuant to Section 5(ii) of the Purchase and Sale Agreement; and

WHEREAS, due to the above-described delay in securing financing to undertake the Project, the Company previously requested and received from the Agency a series of extensions to the term (the "Term") of the Purchase and Sale Agreement (as permitted pursuant to Section 14 of the Purchase and Sale Agreement), as amended pursuant to a certain Amendment Agreement, dated as of June 7, 2011, through December 31, 2011; and

WHEREAS, in order to allow additional time to secure Project financing and close on the Project, the Company has requested the Agency's approval to extend the Term of the Purchase and Sale Agreement and Access Agreement through January 31, 2013.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

Section 1. The Agency hereby authorizes the extension of the Term of the Purchase and Sale Agreement and Access Agreement through January 31, 2013, subject to the following express conditions:

(a) The Company shall bear exclusive responsibility for site restoration of the Land in the event that the Purchase and Sale Agreement and Access Agreement are terminated or lapse.

(b) The Company shall continue to be responsible for and indemnify the Agency for all costs and expenses, including legal fees, regardless if the Company fails to exercise the Option and undertake the Project.

(c) The Company shall maintain the fencing located on the Land, with such ongoing maintenance to be monitored and approved by the Executive Director of the Agency.

(d) The Company shall maintain Agency-approved ground and site maintenance activities, including but not limited to (i) keeping stock piled material to a height no greater than three (3) feet; and (ii) the establishment of proper ground cover and erosion control and the cutting of grass, vegetation and litter cleanup in accordance with City Code, with continued Agency approval as to maintenance.

Section 2. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver a certain **Second Amendment to Purchase and Sale Agreement** to memorialize the within-described extension

and related conditions. Subject to the Company executing same, and the delivery to the Agency of an updated binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, the Agency hereby ratifies and extends the Company's status of agent of the Agency to undertake the Project.

Section 3. 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 and to execute and deliver all such certificates, instruments and documents, to 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 resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

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:

	<u>Yea</u>	<u>Nea</u>	<u>Absent</u>	<u>Abstain</u>
Alan Kravitz	[X]	[]	[]	[]
Arun Manansingh	[X]	[]	[]	[]
Deborah Post	[]	[]	[X]	[]
Melvin Burruss	[X]	[]	[]	[]
Frances Gibbs	[X]	[]	[]	[]
Nicholas Misch	[X]	[]	[]	[]
Charles Jennings	[]	[]	[X]	[]

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF WESTCHESTER) SS:

I, the undersigned Acting Secretary of the City of Peekskill Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the City of Peekskill Industrial Development Agency (the "Agency"), including the resolution contained therein, held on December 13, 2011, 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 20th day of August, 2013.

Kathy F. Lockwood