

MEETING HELD JULY 30, 2003

A meeting of the Industrial Development Agency of the Village of Port Chester, New York, was held on July 30, 2003 at 7:00 P.M., in the Rye Town Courtroom, 10 Pearl Street, Port Chester, New York.

Present were Chairman James Dreves and members John Hiensch, Kevin O'Connor and Steve Giamundo.

It should be noted that members Bishop Nowotnik, Charles Rosabella and John Sweet were absent.

Also present was Mark Tulis, counsel for the Agency.

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The Industrial Development Agency discussed the resolution on the agenda regarding authorizing the Chairman to execute the acquisition of certain air rights, execution and delivery of an amendment to Unit 1 Lease Agreement, the Eight Amendment to the Land Disposition and Acquisition Agreement (LADA) and Security Instruments; and other matters with regards to the Modified Marina Redevelopment Project with Mr. Tulis, Doug Riley of G&S Port Chester, LLC and Mark Weingarten, attorney for G&S.

In request of the Commissioners, Mr. Tulis gave an oral opinion during these discussions regarding certain legal issues involving the LADA and other project documents. Mr. Tulis agreed to reduce that opinion to writing after the meeting.

On the basis of and relying upon Mr. Tulis' oral opinion and advice, the IDA adopted the following resolution.

RESOLUTION OF THE VILLAGE OF PORT CHESTER
INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE
ACQUISITION OF CERTAIN AIR RIGHTS, EXECUTION AND
DELIVERY OF AN AMENDMENT TO UNIT 1 LEASE
AGREEMENT, AN AMENDMENT TO LADA AND SECURITY
INSTRUMENTS; AND OTHER MATTERS IN CONNECTION
THEREWITH WITH RESPECT TO THE MODIFIED MARINA
REDEVELOPMENT PROJECT

On motion of COMMISSIONER O'CONNOR, seconded by COMMISSIONER
GIAMUNDO, the following resolution was adopted by the Industrial Development
Agency of the Village of Port Chester, Port Chester, New York:

WHEREAS, the Village of Port Chester Industrial Development Agency (the
"Agency") is a public benefit corporation authorized and empowered by the New York
State Industrial Development Agency Act, Chapter 1030 of the Laws of 1969 of the State
of New York (Article 18-A and Section 900-a of the General Municipal Law, as
amended) (the "Act") to (i) promote the economic welfare, recreational opportunities and
prosperity of its inhabitants, and (ii) promote, attract, encourage and develop recreation
and economically sound commerce and industry through governmental action for the
purpose of preventing and alleviating unemployment and economic deterioration; and

WHEREAS, on May 20, 1999, the Agency dated a resolution authorizing the
execution and delivery by the Agency of a certain Land Acquisition and Disposition
Agreement dated as of July 14, 1999 by and between the Agency, the Village of Port
Chester (the "Village") and G&S Port Chester, LLC ("G&S"); which agreement has been
duly amended by a First Amendment dated as of February 11, 2000, a Second
Amendment dated as of April 3, 2000, a Third Amendment dated as of May 11, 2000, a
Fourth Amendment dated as of February 28, 2001, a Fifth Amendment dated as of
January 30, 2002, a Sixth Amendment dated as of January 6, 2003 and a Seventh
Amendment dated as of May 8, 2003 (the forgoing, collectively, the "LADA"); and

WHEREAS, the LADA governs the terms of the development of a certain project
in the Village known as the "Modified Marina Redevelopment Project" (the "Project");
and

WHEREAS, the Village, the Agency and G&S desire to amend the LADA to
develop an ownership and lease structure for certain air rights above Don Bosco Place
through which improvements depicted on the approved Site Plan will be constructed as
part of the Project (the "Air Rights") and to authorize the conversion of a portion of Unit
1 consisting of a parking area to a condominium and the subsequent conveyance of a
condominium unit to a public authority for use as commuter parking (the "Eight
Amendment to LADA"); and

WHEREAS, as contemplated by the LADA, the Agency and G&S have
previously entered into a "Unit Lease" for the portion of the Project designated in the
LADA as Unit 1 (the "Unit 1 Lease"); and

WHEREAS, the continued development of the Project is progressing and in order to finance a portion of the costs of the Project relating to Unit 1, CIBC Inc. (the "Lender") has agreed to make a construction loan (the "Construction Loan") to [G&S Port Chester Retail LLC] (the "Borrower"), an affiliate of G&S; and

WHEREAS, to facilitate the financing by lender, G&S has requested the Agency's consent to an assignment of the Unit 1 Lease from G&S to Borrower and an amendment of the Unit 1 Lease adjusting the boundaries of the Unit established under the LADA (the "Assignment and Amendment of Lease"); and

WHEREAS, the Construction Loan will be secured by, among other things, a collateral assignment of LADA, a building loan mortgage, a project loan mortgage and one or more assignments of leases and rents encumbering the fee title interest of the Agency and the leasehold interest of Borrower in and to a portion of the real property which comprises Unit 1 of the Project (collectively, the "Security Instruments"); and

WHEREAS, counsel to the Agency has presented the proposed forms of Assignment and Amendment of Lease, Eight Amendment to LADA, Security Instruments, and related documents and instruments including without limitation estoppel certificates in favor of Lender (collectively, the "Project Documents") to the Agency for its review and approval.

NOW, THEREFORE, BE IT RESOLVED, by the Village of Port Chester Industrial Development Agency as follows:

1. The Agency hereby determines that the execution and delivery of the Project Documents are hereby authorized and approved. The Project Documents shall be executed by the Chairman or Vice Chairman of the Agency or any other duly authorized officers or employees of the Agency (each an "Authorized Representative") with the official seal of the Agency impressed thereon and attested by the Secretary or an Assistant Secretary of the Agency in substantially the same form presented to the Agency at the meeting of the Agency at which this Resolution is adopted, subject to such changes, insertions and omissions as may be approved by counsel to the Agency, the execution of the Project Documents by the Authorized Representative being conclusive evidence of such approval of any such changes, insertions or omissions.
2. For purposes of obtaining valid fee title to the Air Rights, together with any and all development rights attributable thereto, each of the Authorized Representatives is hereby authorized and directed to execute, acknowledge and deliver any and all agreements, and accept any and all deeds and instruments, as such Authorized Representatives of the Agency shall deem necessary or appropriate to accomplish such purposes.
3. The Authorized Representatives of the Agency are hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents or agreements and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution and the Project Documents, including without limitation, the execution of any easement agreements in connection with the Project.

4. This Resolution shall take effect immediately upon its adoption by a majority of the members of the Agency.

ROLL CALL

AYES: Commissioners Giamundo, Hiensch, O'Connor and Chairman Dreves
NOES: None
ABSENT: Commissioners Nowotnik, Rosabella and Sweet

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RESOLUTION
VILLAGE OF PORT CHESTER
INDUSTRIAL DEVELOPMENT AGENCY
MODIFIED MARINA REDEVELOPMENT PROJECT

On motion of COMMISSIONER O'CONNOR, seconded by COMMISSIONER GIAMUNDO, the following resolution was adopted by the Industrial Development Agency (the "IDA") of the Village of Port Chester, Port Chester, New York:

WHEREAS, the IDA is a party to that certain "Land Acquisition and Disposition Agreement" dated July 14, 1999 (the "LADA"), by and among the IDA, the Village of Port Chester (the "Village") and G&S Port Chester LLC ("G&S"); and

WHEREAS, the LADA governs the terms of the development of a certain project known as the "Modified Marina Redevelopment Project" (the "Project"); and

WHEREAS, as a partial inducement for the development undertakings of G&S set forth in the LADA the IDA has agreed to enter into certain leases of real property on which the Project is to be constructed; and

WHEREAS, the IDA has entered into leases with G&S and its affiliates as contemplated by the LADA; and

WHEREAS, with the approval of the Village, G&S has entered into a contract with the Metro-North Commuter Railroad Company ("Metro-North") with respect to construction of a commuter parking facility to be integrated into the parking garage (the "Garage") to be constructed by G&S as a part of the Project improvements; and

WHEREAS, Metro-North desires to pay for and own its portion of the Garage as a condominium unit; and

WHEREAS, the land on which the Garage is to be constructed has previously been made subject to certain leases between G&S and the IDA; and

WHEREAS, G&S desires to cooperate with Metro-North with respect to creation of a condominium association to own and operate the Garage; and

WHEREAS, the IDA has duly considered and approved by a vote of a majority of its members, in a meetings duly called and held on July 30, 2003 for such purpose, the request of G&S to integrate the commuter parking in the Garage in condominium form.

NOW, THEREFORE, BE IT RESOLVED:

That the IDA will cooperate with G&S and Metro-North in order to create a condominium ownership structure for the Garage by executing and delivering such documents with respect thereto as may be reasonably approved by counsel to the IDA, including, without limitation, a condominium declaration and by-laws, condominium unit deeds and leases, LADA "unit lease" modifications, reciprocal easement agreements and similar documentation. The Chairman is hereby authorized to execute and deliver all of such documents duly approved by counsel without further action or consideration by the IDA, provided, however, that the protections and indemnifications set forth in the LADA and the "unit leases" for the benefit of the IDA shall continue in full force and effect notwithstanding the nominal change in the interest of the IDA in the Project by virtue of the condominium structure hereby approved.

ROLL CALL

AYES: Commissioners Giamundo, Hiensch, O'Connor and Chairman Dreves
NOES: None
ABSENT: Commissioners Nowotnik, Rosabella and Sweet

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On motion of COMMISSIONER O'CONNOR, seconded by COMMISSIONER HIENSCH, the following resolution was adopted by the Industrial Development Agency of the Village of Port Chester, Port Chester, New York:

RESOLVED, that the Industrial Development Agency ("IDA") consents to any changes to the targeted area for the clean-up of certain property presently owned by the Village but to be conveyed to the IDA after clean-up by the Village's contractor J.M. Sorge and Company under supervision of the New York State Department of Environmental Conservation ("DEC") consistent with the plan submitted to and approved by the Board of Trustees of the Village of Port Chester without any cost to the IDA.

ROLL CALL

AYES: Commissioners Giamundo, Hiensch, O'Connor and Chairman Dreves
NOES: None
ABSENT: Commissioners Nowotnik, Rosabella and Sweet

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On motion of COMMISSIONER GIAMUNDO, seconded by COMMISSIONER O'CONNOR, the following resolution was adopted by the Port Chester Industrial Development Agency:

RESOLVED, that JOHN HIENSCH, be appointed as Secretary.

ROLL CALL

AYES: Commissioners Giamundo, Hiensch, O'Connor and Chairman Dreves
NOES: None
ABSENT: Commissioners Nowotnik, Rosabella and Sweet

There being no further business, on motion of Commissioner O'Connor, seconded by Commissioner Giamundo, the meeting was adjourned at 8:15 p.m.

Respectfully submitted,

Joan Marino
Assistant Secretary