

**MINUTES OF THE MEETING OF THE  
VILLAGE OF PORT CHESTER  
INDUSTRIAL DEVELOPMENT AGENCY**

**HELD:** December 8, 2010

**TIME AND PLACE:** 6:30 P.M., Village Hall, Conference Room, 222 Grace Church Street, Port Chester, New York

**ROLL CALL:** In attendance were Chairman Neil Pagano, Vice-Chairman Joseph Kenner and members James Taylor, John Hiensch, and Richard Cuddy.

Also in attendance were IDA Secretary, Elisa Sciarabba and IDA Counsel, Justin Miller of Harris Beach, PLLC.

Absent was member Philip Semprevivo

Member Pilla arrived at 6:33 pm

CFO Leonie Douglas arrived at 6:32 pm

Chairman Pagano called the meeting to order at 6:30 pm.

**AUDITOR'S REPORT**

Chairman Pagano noted that there were no significant issues with the audit and the PCIDA is in good shape. The segregation of duties has improved in the last year with the establishment of another signatory on invoices. Chairman Pagano explained that Mr. Miller was reviewing the management letter, which should be ready soon.

**PAAA REQUIRED DELIVERABLES & CHECKLIST FROM ADMINISTRATIVE DIRECTOR**

Chairman Pagano explained that Mr. Douglas, PCIDA Administrative Director, was on vacation this week and asked that the Board hold the discussion over until the next meeting.

**DISCUSSION: PRE-APPLICATION "THRESHOLD CRITERIA APPLICATION"**

Vice Chairman Kenner explained that he thought the checklist was good, but would like to have a one page list that provides PCIDA deliverables in a calendar year format, with the due date, responsible party and status of each deliverable. He noted that it was a good tool to reference during meetings and should be available in the members's packet prior each meeting.

Chairman Pagano asked that the Board add the checklist to their PCIDA policy binders.

**APPROVAL OF MINUTES:**

The minutes of the November 10, 2010 meeting were reviewed and a minor edit was made by Ms. Douglas related to the money market account. The FDIC covers amounts up to \$250,000. The minutes were adopted with changes on a motion of Member Cuddy, seconded by Member Hiensch and approved by Chairman Pagano, Member Pilla and

Member Taylor. Vice-Chairman Kenner recused himself from voting because he was not at the November 10<sup>th</sup> meeting.

### **APPROVAL OF INVOICES:**

An invoice from Leonie Douglas, CFO was presented for services from 9/1/2010 – 11/30/2010 in the amount of \$1,250.

An invoice for the Month of November 2010 was presented from the Administrative Director in the amount of \$3,000.

An invoice for secretarial services for the November 10, 2010 meeting from Elisa Sciarabba in the amount of \$150 was presented.

An invoice from Drescher & Malecki was presented in the amount of \$3,750 for professional services in connection with the audit.

An invoice from CNA was presented in the amount of \$781.39 for PCIDA insurance coverage.

All invoices were approved collectively on a motion of Member Taylor, seconded by Vice-Chairman Kenner and carried unanimously.

### **TREASURER'S REPORT & REVISED BUDGET**

Ms. Douglas noted that she received Mr. Douglas's copy of the draft budget format and incorporated it into the PCIDA budget. She discussed the new KVS system and the Revenue/Expense Budget Comparison Control Reports that are generated. She explained that the new reports give more detail and are easier to understand. Chairman Pagano noted that he liked the layout.

Chairman Pagano asked Ms. Douglas if the previous bill for Harris Beach related to G&S matters had been paid yet. Ms. Douglas confirmed that the bill was not paid. Chairman Pagano noted that during the last meeting, the Board passed a resolution to bill the Village for the \$2,500 share. He asked the PCIDA Board to pay the \$2,500 and in the future, the bills will be kept separate by G&S issue and there will be a clear distinction of what needs to go to the Village and what should go to the PCIDA.

On a motion of Member Cuddy, seconded by Vice-Chairman Kenner, and approved by Chairman Pagano and Members Pilla, Taylor, and Hiensch, the Board directed Ms. Douglas to pay the remaining Harris Beach bills in the amounts of \$8,500 and \$2,500.

The Treasurer's report was accepted on a motion of Member Cuddy, seconded by Vice-Chairman Kenner and approved by Chairman Pagano and Members Pilla, Taylor and Hiensch.

Chairman Pagano asked the PCIDA Board Members how many copies of the audit report were needed. As a consensus, the Board determined that they would ask for a scanned copy to post to the website and print if necessary. Mr. Miller noted that copies needed to

be disseminated to the Chief Executive of the Village of Port Chester, the Chief Financial Officer of Port Chester, and the Board of Trustees all within 90 days. It was determined that Ms. Sciarabba would disseminate the reports to the necessary parties.

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RESOLUTIONS:

a) Kingsport

Mr. Miller explained that this was a similar resolution for the JETRO application. A Public Hearing will be held under State Law and the Internal Revenue Law. He explained that the resolution was only authorizing the acceptance of the application and authorizing the scheduling of a Public Hearing. Mr. Miller noted that the public hearing would not be scheduled until the terms of the PILOT were negotiated. There also needs to be 30 days of Public Notice before the Public Hearing.

There were questions raised as to the original tax exemptions received by Kingsport in 1999. Mr. Miller stated that he is looking into the original PILOT to determine why Westchester County was not listed as a taxing jurisdiction and therefore does not receive payment. Vice-Chairman Kenner asked for clarification as to why the breakdown of the PILOT payment amounts was equally split between the Town of Rye and the Village of Port Chester.

The PCIDA scheduled a tour of the Kingsport Apartments on December 11, 2010.

**RESOLUTION**

*(Kingsport Apartments, LP)*

A regular meeting of the Village of Port Chester Industrial Development Agency was convened on Wednesday, December 8, 2010 at 6:30 p.m. at 222 Grace Church Street, Port Chester, New York, 10573.

On motion of Member Cuddy, seconded by Vice Chairman Kenner, the following resolution was placed before the members of the Village of Port Chester Industrial Development Agency:

Resolution No. 2010 – 12/1

RESOLUTION OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY (THE “ISSUER”) (i) ACCEPTING THE APPLICATION OF KINGSPOrt APARTMENTS, LP (THE “COMPANY”) WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DESCRIBED BELOW); (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE ISSUER; AND (iv) TAKING OFFICIAL ACTION TOWARDS THE ISSUANCE OF UP TO \$12,500,000 PRINCIPAL AMOUNT HOUSING REVENUE BONDS FOR THE

PURPOSE OF FINANCING THE PROJECT (AS SET FORTH BELOW) FOR THE BENEFIT OF 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 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 the “Issuer”) 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, KINGSPORT APARTMENTS LP, a Delaware limited partnership with offices at c/o Zephyr Management, L.P., 320 Park Avenue, 28<sup>th</sup> Floor, New York, New York, for itself and/or on behalf of an entity to be formed (hereinafter and collectively, the “Company”) has submitted an application (the “Application”) to the Issuer, copies of which were presented at this meeting and a copy of which is on file at the office of the Issuer, requesting that the Issuer issue its housing revenue bonds in a principal amount not to exceed \$12,500,000 (the “Bonds”) for the purpose of financing a certain project (the “Project”) consisting of: (A) the acquisition or retention by the Issuer of title to or a leasehold (or other) interest in an approximately 1.57-acre site located at 245 King Street, Port Chester, New York, TMID No. 136.078-3-50 (the “Land”) and the existing improvements located thereon, including a multi-level building structure with 129 housing units and related storage facilities (the “Existing Improvements”); (B) the renovation, reconstruction, refurbishing and equipping by the Company as agent of the Issuer of the Existing Improvements in order to (i) modernize approximately one hundred twenty one (121) one-bedroom apartments and seven (7) studio apartments that, in accordance with the Internal Revenue Code of 1986, as amended (the “Code”) and applicable regulations promulgated by the United States Department of Housing and Urban Development (“HUD”) and New York State Housing Finance Agency (“HFA”) and/or Division of Housing and Community Renewal (“DHCR”), will be leased to households of persons 62 years of age or older and earning 60% or less of the area’s median gross income, (ii) modernize one non-subsidized superintendent’s apartment, and (iii) install, construct and equip certain structural and mechanical upgrades and improvements to the Existing Improvements, including renovations to the common areas, heating systems, plumbing, roof, windows and elevators (items (i), (ii) and (iii) collectively, the “Improvements”); (C) the acquisition of and installation in and around the Existing Improvements and Improvements of certain machinery, fixtures, equipment and other items of tangible personal property (the “Equipment” and, collectively with the Land, the Existing Improvements and the Improvements, the “Facility”); (D) paying certain costs and expenses incidental to the issuance of the Bonds (the costs associated with items (A) through (D) above being hereinafter collectively referred to as the “Project

Costs”); and (E) the lease (with an obligation to purchase) or sale of the Issuer’s interest in the Facility back to the Company; and

WHEREAS, the Issuer is contemplating providing financial assistance to the Company with respect to the Project (collectively, the “Financial Assistance”) in the form of: (1) the issuance of the Bonds in an amount not to exceed the lesser of the Project Costs or \$12,500,000; (2) an exemption from all state and local sales and use taxes with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, renovation or equipping of the Facility; (3) the grant of one or more mortgage liens on the Issuer’s interest in the Facility (the “Mortgages”) to secure indebtedness incurred by or for the benefit of the Company, including the Bonds, in connection with the Project, which Mortgages would be exempt from all mortgage recording taxes imposed in the State of New York; and (4) the retention of title to or a leasehold interest in the Facility by the Issuer for a period of time so as to enable the Company to enter into an agreement with the Issuer regarding payments in lieu of real property taxes (the “PILOT Agreement”) for the benefit of each municipality and school district having taxing jurisdiction over the Project; and

WHEREAS, the Issuer previously undertook a civic facility project relating to the Land and Existing Improvements (the “1999 Project”) for the benefit of American Foundation for Affordable Housing (Kingsport), Inc. (the “Current Operator”) whereby the Issuer (i) acquired title to the Land and Existing Improvements and agreed to sell the Land and Existing Improvements to the Current Operator pursuant to a certain Installment Sale Agreement, dated as of June 1, 1999 (the “1999 Installment Sale Agreement”); and (ii) issued its Civic Facility Revenue Bonds, Series 1999 (American Foundation for Affordable Housing (Kingsport), Inc. Facility) in the aggregate amount of \$8,370,965 (the “1999 Bonds”), such 1999 Bonds having been issued by the Issuer on June 30, 1999, the proceeds of which were used in furtherance of the acquisition and rehabilitation of the Land and Existing Improvements; and

WHEREAS, the Issuer also previously undertook a certain project relating to the Land and Existing Improvements (the “2001 Project”) for the benefit of the Current Operator whereby the Issuer (i) retained title to the Land and Existing Improvements and agreed to sell the Land and Existing Improvements to the Current Operator pursuant to a certain Installment Sale Agreement, dated as of June 1, 2001 (the “2001 Installment Sale Agreement”); and (ii) issued its Civic Facility Revenue Refunding Bonds, Series 2001 (American Foundation for Affordable Housing (Kingsport), Inc. Civic Facility) in the aggregate amount of \$9,155,000 (the “2001 Bonds”), such 2001 Bonds having been issued by the Issuer on June 21, 2001, the proceeds of which were used to refinance and refund the 1999 Bonds; and

WHEREAS, in furtherance of the 1999 Project and in accordance with the 1999 Installment Sale Agreement, the Issuer and the Current Operator entered into a certain Payment-in-Lieu-of-Tax Agreement, dated as of June 1, 1999 (the “Existing PILOT Agreement”), such Existing PILOT Agreement having been amended as of June 1, 2001 in connection with the 2001 Project and in accordance with the 2001 Installment Sale Agreement; and

WHEREAS, the Company has not commenced the acquisition, renovation, reconstruction, refurbishment or equipping of the Project as of the date of this resolution; and

WHEREAS, the Company reasonably expects that it will (1) pay or incur certain capital expenditures in connection with the Project prior to the issuance of the Bonds, (2) use funds from sources other than proceeds of the Bonds which are or will be available on a short-term basis to pay for such capital expenditures, and (3) reimburse itself for the use of such funds with proceeds of the Bonds; and

WHEREAS, pursuant to Article 18-A of the General Municipal Law the Issuer desires to adopt a resolution describing the Project and the Financial Assistance that the Issuer is contemplating with respect to the Project; and

WHEREAS, pursuant to Section 859-a of the Act and Section 147(f) of the Code, Issuer, among other things, must hold a public hearing with respect to the Project.

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 Issuer in the Company's Application, the Issuer hereby finds and determines that:

(A) By virtue of the Act, the Issuer 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 Issuer to: (i) acquire and/or retain title to or other interest in the Land, the Existing Improvements, the Improvements, and the Equipment constituting the Facility; (ii) lease or sell the Issuer's interest in the Land, the Existing Improvements, the Improvements, and the Equipment constituting the Facility to the Company pursuant to a lease agreement or sale agreement to be negotiated; and (iii) issue the Bonds to finance the Project Costs; and

(C) The Issuer has the authority to take the actions contemplated herein under the Act; and

(D) The action to be taken by the Issuer will induce the Company to undertake the Project, thereby increasing employment and affordable housing opportunities in the Village of Port Chester, New York, and otherwise furthering the purposes of the Issuer as set forth in the Act, including, but not limited to, improving commercial and affordable housing stock; 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 Issuer 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.

Section 2. The proposed Financial Assistance being contemplated by the Issuer includes: (i) financing a portion of the costs of the Project by the issuance of the Bonds in an amount not to exceed the lesser of the Project Costs or \$12,500,000; (ii) an exemption from all mortgage recording taxes with respect to any qualifying mortgage on the Land and Facility (or such interest therein as is conveyed to the Issuer); (iii) an exemption from all New York State and local sales and use taxes with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, reconstruction, renovation, rehabilitation or equipping of the Facility; and (iv) the retention of title to or a leasehold interest in the Facility by the Issuer for a period of time so as to enable the Company to enter into a PILOT Agreement with the Issuer, the terms of which are to be negotiated.

Section 3. The granting of the Financial Assistance, as contemplated by Section 2 of this Resolution, shall be subject to:

(a) agreement by the Issuer, Company and the purchaser of the Bonds on mutually acceptable terms for the Bonds and for the sale and delivery thereof and mutually acceptable terms and conditions for the security for the payment thereof; and

(b) approval by the Village of Port Chester, New York of the issuance of the Bonds in accordance with the provisions of Section 147(f) of the Code; and

(c) compliance by the Issuer with the volume cap limitation set forth in Section 146 of the Code and with any applicable New York State law, such that interest on the Bonds shall not be included in gross income for purposes of Federal income taxation; and

(d) the holding of a public hearing as required by Article 18-A of the New York State General Municipal Law and Section 147(f) of the Code; and

(e) the Company's receipt of all State and local permits and approvals to undertake the Project; and

(e) the Issuer's adoption of an Inducement Resolution authorizing the undertaking of the Project, the issuance of the Bonds, and the form and content of the proposed PILOT Agreement.

Section 4. The Company is hereby authorized to conduct such environmental, engineering, economic, feasibility and other studies and preliminary planning and budgetary processes necessary or convenient to enable the Issuer to make its final determination whether to approve the Financial Assistance, and the Company is further authorized to advance such funds as may be necessary for such purpose subject, to the

extent permitted by law, to reimbursement from the proceeds of the sale of the Bonds if the Bonds are issued.

Section 5. Harris Beach PLLC, as Bond Counsel for the Issuer, is hereby authorized to work with counsel to the Company and others to prepare for submission to the Issuer all documents necessary to effect the authorization, issuance and sale of the Bonds, and reimbursement of the costs of all such work prior to the date hereof is hereby authorized to the extent permitted by the Code, including matters relating to the Company’s acquisition of the Land and Existing Improvements from the Current Operator, the redemption of the 2001 Bonds, and the negotiation of the PILOT Agreement.

Section 6. The Issuer hereby authorizes the Chairman, Vice Chairman, Administrative Director and/or counsel to the Issuer to schedule, notice and conduct a public hearing in compliance with the Act and Section 147(f) of the Code.

Section 7 This Resolution shall constitute the adoption of “official intent” (within the meaning of the United States Treasury Regulations Section 1.150-2(d)) with respect to the issuance of the Bonds and the original expenditures which are reasonably expected to be reimbursed from the proceeds of the Bonds.

Section 8 The Chairman, Vice Chairman and/or Administrative Director of the Issuer 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.

Section 9. These Resolutions shall take effect immediately upon adoption.

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>
Neil Pagano	[ X ]	[ ]	[ ]	[ ]
Hon. Dennis Pilla	[ X ]	[ ]	[ ]	[ ]
Hon. Joseph Kenner	[ X ]	[ ]	[ ]	[ ]
James Taylor	[ X ]	[ ]	[ ]	[ ]
John Hiensch	[ X ]	[ ]	[ ]	[ ]
Philip C. Semprevivo	[ ]	[ ]	[ ]	[ X ]
Richard Cuddy	[ X ]	[ ]	[ ]	[ ]

The Resolutions were thereupon duly adopted.

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b) G&S Unit 4B Termination

Mr. Miller explained that this resolution is a proposal to put the property back on the tax rolls. G&S worked out a contract with Luiso. Chairman Pagano asked why this property was not part of the PILOT and Mr. Cuddy asked if it is

something that should be studied before the resolution is passed. Mr. Miller suggested the Board adopt the resolution but also reserve the right to take a reconciliation. The resolution would then go in front of the Village Board, which meets Thursday, December 9, 2010. The Village would need to consent to the resolution. Chairman Pagano noted for the record that the PCIDA is still looking into and researching the cost for back PILOT payments.

**RESOLUTION**

*(G&S Port Chester, LLC Modified Marina Redevelopment Project-  
G&S Port Chester Unit 4B, LLC – Termination of Unit Lease and Transfer of Title)*

On motion of Vice-Chairman Kenner, seconded by Member Cuddy, the following resolution was placed before the members of the Village of Port Chester Industrial Development Agency:

Resolution No. 2010 – 12/2

RESOLUTION OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS AND AGREEMENTS IN CONNECTION WITH A PROJECT (AS MORE PARTICULARLY DESCRIBED HEREIN) PREVIOUSLY UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF G&S PORT CHESTER UNIT 4B, LLC TO EFFECTUATE THE TERMINATION OF A CERTAIN UNIT LEASE AGREEMENT AND TO ALLOW FOR THE TRANSFER OF CERTAIN LANDS BY THE AGENCY.

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 the “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, in furtherance of a certain Modified Marina Redevelopment Project (the “Project”) undertaken by G&S Port Chester, LLC (“G&S”), the Agency, along with the Village of Port Chester (the “Village”) entered into a Land Acquisition and Disposition Agreement, dated as of July 14, 1999, and amendments thereto (collectively, the “LADA”), wherein the parties thereto memorialized their respective rights and obligations in connection with the Project; and

WHEREAS, in furtherance of the project and applicable provisions of the LADA, the Agency acquired certain parcels of real estate within the Village to be incorporated into the Project, including: (i) those certain parcels of realty within the Village commonly referred to as Unit 4B (the “Parcels”, being more particularly described as TMID Nos. 142.39-1-42, 142.39-1-46, 142.39-1-66 and portions of 142.31-1-42), such Parcels having been conveyed by G&S Port Chester Unit 4B, LLC to the Agency by deed dated on or about December 30, 2003 and thereafter leased by the Agency to G&S Port Chester Unit 4B, LLC pursuant to a certain Unit Lease Agreement, dated as of December 30, 2003 (the “Unit Lease”); and

WHEREAS, furtherance of the project, applicable provisions of the LADA, and commensurate with the execution and delivery of the Unit Lease, the Agency and G&S Port Chester Unit 4B, LLC entered into a Payment in Lieu of Taxes Agreement (the “PILOT Agreement”), dated as of May 23, 2000, such PILOT Agreement being co-terminus with the Unit Lease; and

WHEREAS, by sublease agreement dated as of August 1, 2004 (the “Sublease”), G&S Port Chester Unit 4B, LLC subleased the Parcels to Buchanan Executive Park, Inc. (“Buchanan”); and

WHEREAS, G&S, on behalf of G&S Port Chester Unit 4B, LLC, has requested the Agency’s consent to termination of the Unit Lease and PILOT Agreement (the “Termination”) and transfer of title to the Parcels to Buchanan (the “Transfer”); and

WHEREAS, pursuant to Article 11 of the LADA, the Termination requires and shall be subject to the consent and approval of the Village.

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

Section 1. Subject to the consent and approval of the Village, the Agency hereby approves and authorizes the undertaking of the Termination and Transfer. Subject to the foregoing, the Agency hereby authorizes the Agency Chairman, Vice Chairman and/or Administrative Director to execute and deliver, and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency of such agreements and documents as are necessary to effectuate the Termination and Transfer, including (i) a Termination Agreement relating to the Unit Lease and PILOT Agreement, and (ii) a Bargain and Sale Deed, along with such other certificates, forms and documents and to attest the same, all with such changes, variations, omissions and

insertions as the Chairman, Vice Chairman and/or the Administrative Director of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman or the Administrative Director of the Agency to constitute conclusive evidence of such approval.

Section 2. The foregoing approval by the Agency of the Termination and Transfer is further subject to the following conditions: (i) that either Buchanan or G&S Port Chester Unit 4B, LLC will make or cause to be made to the Agency payment of full taxes from the date of the transfer of title to the Parcels through the end of the current tax years for the Town of Rye, County of Westchester, Village and the Port Chester School District as is required by Section 4 of the PILOT Agreement; (ii) Buchanan's acknowledgement within the Bargain and Sale Deed that Buchanan is subject to Section 2.5 of the LADA whereby Buchanan shall be prohibited from commencing or prosecuting any tax certiorari or other tax review proceedings for any portion of the Parcels; and (iii) that all fees and costs of the Agency relating to the foregoing, including attorneys' fees, shall be paid by G&S, G&S Port Chester Unit 4B, LLC or Buchanan.

Section 3. The members, 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. These Resolutions shall take effect immediately upon adoption.

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>
Neil Pagano	[ X ]	[ ]	[ ]	[ ]
Hon. Dennis Pilla	[ X ]	[ ]	[ ]	[ ]
Hon. Joseph Kenner	[ X ]	[ ]	[ ]	[ ]
James Taylor	[ X ]	[ ]	[ ]	[ ]
John Hiensch	[ X ]	[ ]	[ ]	[ ]
Philip C. Semprevivo	[ ]	[ ]	[ ]	[ X ]
Richard Cuddy	[ X ]	[ ]	[ ]	[ ]

The Resolution was thereupon duly adopted.

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c) G&S Townsend Street Dedication

Mr. Miller explained that the property is .4 of an acre on the corner of Costco near Don Bosco place. The resolution would turn the property over to the Village of Port Chester. The lease will need to be modified to take the property out and the title will be transferred from the PCIDA to the Village of Port Chester. He noted that this is just a technical amendment. The PILOT payment will still be the same amount. There will be a companion resolution on the Board of Trustees agenda for acceptance. The resolution would be to accept the dedication subject to a Public Hearing.

**RESOLUTION**

*(G&S Port Chester, LLC Modified Marina Redevelopment Project-  
Townsend Street Dedication)*

On motion duly made and seconded, the following resolution was placed before the members of the Village of Port Chester Industrial Development Agency:

Resolution No. 2010 – 12/3

RESOLUTION OF THE VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS AND AGREEMENTS IN CONNECTION WITH A PROJECT (AS MORE PARTICULARLY DESCRIBED HEREIN) PREVIOUSLY UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF G&S PORT CHESTER, LLC TO EFFECTUATE THE MODIFICATION OF A CERTAIN UNIT LEASE AGREEMENT TO ALLOW FOR THE TRANSFER AND DEDICATION BY THE AGENCY TO THE VILLAGE OF PORT CHESTER (THE “VILLAGE”) OF CERTAIN LANDS CONSTITUTING PORTIONS OF TOWNSEND STREET.

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 the “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, in furtherance of a certain Modified Marina Redevelopment Project (the “Project”) undertaken by G&S Port Chester, LLC (“G&S”), the Agency, along with the Village of Port Chester (the “Village”) entered into a Land Acquisition and Disposition Agreement, dated as of July 14, 1999, and amendments thereto (collectively, the “LADA”), wherein the parties thereto memorialized their respective rights and obligations in connection with the Project; and

WHEREAS, in furtherance of the project and applicable provisions of the LADA, the Agency, by and through the Village, acquired certain parcels of real estate within the Village to be incorporated into the Project, including: (i) those certain parcels of realty within the Village commonly referred to as Unit 3 and, (ii) within Unit 3, the land and related infrastructure improvements located therein constituting portions of relocated Townsend Street (the “Parcel”, being more particularly described in **Exhibit A** annexed hereto), such Parcel having been conveyed by G&S to the Agency along with Unit 3 lands by deed dated May 23, 2000 and thereafter leased by the Agency to G&S pursuant to a certain Unit Lease Agreement, dated as of May 23, 2000 (the “Unit Lease”); and

WHEREAS, in furtherance of the project, applicable provisions of the LADA, and commensurate with the execution and delivery of the Unit Lease, the Agency and G&S entered into a Payment in Lieu of Taxes Agreement (the “PILOT Agreement”), dated as of May 23, 2000, such PILOT Agreement being co-terminus with the Unit Lease; and

WHEREAS, G&S has requested that the Agency consent to a modification of the Unit Lease and PILOT Agreement (collectively, the “Modification”) to effectuate the removal of the Parcel from the Unit Lease and PILOT Agreement and transfer of the Parcel by the Agency to the Village for dedication as a public street (the “Dedication”); and

WHEREAS, pursuant to Article 11 of the LADA and applicable provisions of the Village Law, the Modification and Dedication require and shall be subject to the consent and approval of the Village.

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

Section 1. Subject to the consent and approval of the Village, the Agency hereby approves and authorizes the undertaking of the Modification and Dedication. Subject to the foregoing, the Agency hereby authorizes the Agency Chairman, Vice Chairman and/or Administrative Director to execute and deliver, and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency of such agreements and documents as are necessary to effectuate the Modification and Dedication, including (i) a Modification Agreement relating to the Unit Lease and PILOT Agreement, and (ii) a Bargain and Sale Deed, along with such other certificates, forms and documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or the Administrative Director of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman or the Administrative Director of the Agency to constitute conclusive evidence of such approval.

Section 2. The members, 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 3. These Resolutions shall take effect immediately upon adoption.

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>
Neil Pagano	[ X ]	[ ]	[ ]	[ ]
Hon. Dennis Pilla	[ X ]	[ ]	[ ]	[ ]
Hon. Joseph Kenner	[ X ]	[ ]	[ ]	[ ]
James Taylor	[ X ]	[ ]	[ ]	[ ]
John Heinsch	[ X ]	[ ]	[ ]	[ ]

Philip C. Semprevivo	[    ]	[    ]	[    ]	[ X ]
Richard Cuddy	[ X ]	[    ]	[    ]	[    ]

The Resolution was thereupon duly adopted.

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**GLOBAL AGREEMENT STATUS – HARRIS BEACH**

Chairman Pagano asked Mr. Miller for an update on the status of all of the G&S Issues. Mr. Miller explained that he has a better understanding of the leases and terms but needs to have a meeting with the PCIDA and G&S to audit all of the unit leases and go over the terms. Mr. Miller noted that the spreadsheet from Chairman Pagano was a good start, however, he still needs to go over the old records, which Ms. Sciarabba explained that Mr. Tulis, previous PCIDA Counsel, had files dropped off in Village Hall related to G&S. Mr. Miller noted explained that the information would assist in refining Chairman Pagano’s spreadsheet to get the PILOT amounts and breakdown.

**MONITORING FORMS TO G&S**

Chairman Pagano explained that Ms. Sciarabba has taken this on and will be sending out the letters to G&S, Kingsport and Southport.

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Vice-Chairman Kenner engaged the board in a discussion on how they could be more pro-active to help downtown development and businesses. Mr. Miller said there are various programs and grants that can assist the PCIDA. He briefly discussed some ideas that could be discussed at upcoming meetings, including being more proactive and starting another entity such as a Local Development Corporation. Member Cuddy said he wanted the Board to explore options to implement programs to draw businesses to the Village.

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At 8:20 p.m on a motion of Mr. Taylor, seconded by Chairman Pagano, and carried unanimously the Board entered into executive session to consult to discuss Confidential Board Evaluations.

At 9:01 p.m on motion of Mr. Taylor, seconded by Vice-Chairman Kenner, the Board came out of executive session

There being no further business before the Board, on motion of Member Taylor, seconded by Vice-Chairman Kenner, the meeting was adjourned at 9:02 pm.

Respectfully submitted,

*Elisa Sciarabba*

Elisa Sciarabba  
Secretary