

**Minutes of the Putnam County
Industrial Development Agency (“IDA”)
Board of Directors
Meeting of March 30, 2015
34 Gleneida Avenue, 2nd Floor
Carmel, NY 10512**

Chairman Richard Ruchala called the meeting to order at 5:00 p.m.

1. Roll Call – The following Directors were present: Richard Ruchala, Chair, Ray Ruyack, Bill Nulk and Vincent Murphy

Absent: Kevin Bailey, Randall Chiera and Maureen McLaughlin

Guests: Allan Rothman – Unicorn Contracting Corporation
Joseph Carlucci, Esq., Cuddy & Feder – IDA Counsel

Staff: Alan Wolfson, CFO and Sharon Donaghey, Executive Director

2. Approval of Minutes – On motion by Bill Nulk, second by Ray Ruyack, the Minutes of the March 2, 2015 meeting were reviewed and approved – Motion passed 4-0; carried unanimously.
3. Consideration of inducement resolution concerning potential financial assistance for a Project of Butterfield Realty LLC – Mr. Allan Rothman from the Unicorn Contracting attended the meeting, explained the details of the entire Butterfield Project and focused on the portion of the project that the IDA will be considering for inducement for potential financial assistance. Mr. Rothman brought site plans and reviewed them with the Board. Chairman Ruchala requested a copy of the site plans and Mr. Rothman acknowledged that he will send a copy. Mr. Carlucci confirmed that this is a commercial project that will create jobs in Putnam County and will improve buildings that have been neglected & are deteriorating. This project is in line with the IDA Mission Statement. After discussion, upon motion by Ray Ruyack, second by Bill Nulk, the Inducement Resolution distributed and reviewed by the Board was put to a roll call vote as follows:

Ray Ruyack	Aye
Bill Nulk	Aye
Vincent Murphy	Aye
Richard Ruchala	Aye

Motion passed 4-0; carried unanimously. A copy of the Inducement Resolution is attached to these minutes (Attachment #1).

4. 2014 Audit – a draft of the 2014 IDA Audit from Michael Quis, CPA, was distributed to the board for review and discussion. It was noted that some of the Confirmations have not yet been received but the Audit is almost complete. On motion by Richard Ruchala, second by Vincent Murphy, the 2014 Audit as submitted was approved subject to the receipt of the missing Confirmations – Motion passed 4-0; carried unanimously.
5. PARIS Report – Chairman Ruchala and Alan Wolfson discussed the status of the PARIS Report. They advised that once the 2014 Audit is completed and uploaded to the PARIS Report it will be ready for submission to the NYS ABO.
6. Board Appointment – Carmel – There is nothing new to report. Chairman Ruchala asked the Board to advise him once they have identified a possible candidate.
7. Chairman Ruchala had a meeting with EDC’s Acting Chairman Jeff Kellogg due to the prior Chairman’s resignation. His major concern was getting a new President for the EDC.

8. Old/New Business – Chairman Ruchala advised the Board that
 - a) One lead was given to George Joiner at SCORE. George Joiner and the Chairman spoke a few times regarding aiding the business in question.
 - b) For the purpose of retention and expansion of jobs in Putnam County, three leads were given to an entrepreneur to keep his business in Putnam County.
 - c) CVS will be opening in the old A&P store across from the Putnam Plaza. Chairman Ruchala credited Burt Houseworth, the former CEO, with bringing CVS to this location.
9. Next Meeting – TBD

A motion was made to adjourn the meeting by Ray Ruyack, second by Vincent Murphy. The motion was approved 4-0 at 5:50 pm.

Respectfully,

Vincent Murphy
Secretary

**PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY
INDUCEMENT RESOLUTION**

Regarding the BUTTERFIELD REALTY LLC Project

WHEREAS, the New York State Industrial Development Agency Act and the enabling legislation of the Putnam County Industrial Development Agency (the “Agency”), respectively constituting Article 18-A and Section 927-f of the General Municipal Law (Chapter 24 of the Consolidated Laws of New York) (collectively, the “Act”), authorize the Agency (i) to promote the economic welfare, recreational opportunities and prosperity of its inhabitants, and (ii) to actively promote, attract, encourage and develop recreation and economically sound commerce and industry through governmental action for the purpose of preventing unemployment and economic deterioration; and

WHEREAS, an application dated February 17, 2015, as supplemented on March 4, 2015, has been submitted to the Agency by or on behalf of Butterfield Realty LLC (together with the applicant and other affiliate, project sponsor or participant, if different, the “Company”) requesting assistance in financing a proposed project in the Village of Cold Spring, New York consisting of the construction of two (2) new buildings, comprised of an aggregate of approximately 31,000 square feet on approximately 6 acres, to be used for office and retail space, to be used by the Company for (i) the construction of a 3-story, approximately 15,000 square foot building with retail/office space on the first floor and office space on the upper two floors, and (ii) construction of a 2½ story, 16,000 square foot building (subject to final structural approval by the Village of Cold Spring) with retail/office space on the first floor and office space on the upper floors (collectively, the “Project”), all to be located at 1756 Route 9D (Chestnut Street), Village of Cold Spring, Putnam County, New York (the “Project Site”) as more fully described in the application; and

WHEREAS, in its application the Company has represented that the Project is expected to maintain or increase employment in the State of New York (the “State”) and in the Village of Cold Spring, New York, and has made additional factual representations concerning itself and the Project upon which the Agency is relying in adopting this resolution; and

WHEREAS, in its application for assistance the Company has made further representations with respect to the qualification of the Project as a permissible commercial project under the Act, and the Company has represented and the Agency has determined that such qualification is supported by the information presented in the application; and

WHEREAS, the Company has requested that the Agency grant to the Company certain financial assistance with respect to the Project including relief from certain real property taxation, sales and use taxation, and mortgage recording taxation; and

WHEREAS, pursuant to the grant of financial assistance from the Agency, the Company will agree to indemnify the Agency against certain losses, claims, expenses, damages and liabilities which may arise in connection with the transactions contemplated; and

WHEREAS, a public hearing will be held so that all persons with views in favor of or opposed to the grant of financial assistance contemplated by the Agency and/or the location or nature of the Project can be heard; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law (“SEQRA”) and the regulations of the Department of Environmental Conservation of the State of New York thereunder (the “DEC Regulations”), the Agency constitutes a “State Agency”; and

WHEREAS, the Agency has made no determination with respect to the Project under SEQRA; and

WHEREAS, the Agency intends to induce the Company to proceed with the development of the Project pending completion of arrangements by the Company and the Agency for the straight-lease financing to provide long-term financing for the Project.

NOW, THEREFORE, BE IT RESOLVED by the Agency as follows:

Section 1. Qualification of Project. The Agency hereby determines that the undertaking and completion of the Project and the financing thereof by the Agency is authorized by the Act, that the Project constitutes a “project” within the meaning of the Act and will be in furtherance of the policy of the State as set forth therein, and that there will be no net loss of jobs in the County of Putnam (the “County”) as a result of the Project.

Section 2. Commercial Project Determinations. The Agency hereby further specifically determines, based on the representations and information presented by the Company in the application with respect to the Project (such representations and information presented by the Company to be updated in connection with the final resolution), that:

(1) The financing will induce the location or expansion of the Project in the area it will serve.

(2) The economic feasibility of the Project will be seriously and substantially impaired without the availability of financing.

(3) The Project is compatible with and will significantly assist and enhance all development plans for its area established formally or informally by local, County, State and federal authorities.

(4) The predominant purpose of the Project would be to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the Village of Cold Spring because of a lack of reasonably accessible commercial trade facilities offering such goods or services.

Section 3. Relocation Determination. The Agency hereby determines, based on the representations of the Company that, to the extent the completion of the Project will result in the removal of an industrial, manufacturing, warehousing or commercial plant or facility of the Company from one area of the State to another area of the State or in the abandonment of one or more of the plants or facilities of the Company within the State, the financing and completion of the Project is reasonably necessary to discourage the Company from removing its operations at

existing plants and facilities in the State to a location outside the State and is reasonably necessary to preserve the competitive position of the Company in its industry.

Section 4. SEQRA. The Agency hereby finds and determines that this Resolution constitutes a determination of technical requirements within the meaning of Section 617.5(c)(28) of the DEC Regulations, and does not constitute, and shall not be deemed to constitute, either an approval by the Agency of the Project for purposes of SEQRA, or a commitment by the Agency to provide the straight-lease financing.

Section 5. Authorization to Proceed. The Company is authorized to undertake and complete the Project and to advance such funds as may be necessary therefor, all such expenditures to be reimbursable to the Company out of the proceeds of the straight-lease financing to be issued by the Agency. Any action heretofore taken by the Company in initiating the Project is hereby ratified, confirmed and approved.

Section 6. Agency Assistance of Company. The members, representatives and agents of the Agency are hereby authorized and directed to take all actions deemed appropriate to assist the Company in commencing and carrying out the Project.

Section 7. Straight-Lease Financing. The Agency will provide straight-lease financing for the Project in an aggregate amount not to exceed \$7,500,000 or such lesser amount, in each case as may be required based on the Company's final cost certification, subject to agreement among the Agency, the Company and the lender as to the amount, interest rate, maturity, security, prepayment provisions and other terms and conditions of the transaction, and approval of Agency Counsel and Special Counsel.

Section 8. No Recourse or Personal Liability. No provision of this resolution or any other related document shall constitute or give rise to a charge upon the general credit of the Agency or impose upon the Agency a pecuniary liability except as may be payable from the limited sources set forth above. No recourse shall be had for the performance of any obligation in connection therewith against any member, representative or agent of the Agency (other than the Company), nor is or shall any such person become personally liable for any such payment or performance.

Section 9. Public Hearing. The Agency will call a public hearing with respect to the Project subsequent to the adoption hereof in accordance with Section 859-a of the General Municipal Law of the State of New York. No financial assistance of the Agency shall be granted to or on behalf of the Company hereunder until a public hearing regarding the Project shall be held by the Agency in accordance with Section 859-a of the General Municipal Law of the State of New York, and notice of such hearing is provided to the chief executive officer of each affected jurisdiction where the Project is located. The time, date and specific place of the public hearing shall be determined by the Chairman of the Agency in accordance with Section 859-a of the General Municipal Law of the State of New York.

Section 10. Open Meeting. All formal actions of the Agency concerning and relating to the adoption of this resolution were adopted in an open meeting of the Agency, and all formal deliberations of the Agency and of any of its hearings that resulted in such formal action were held in meetings open to the public, in compliance with all legal requirements.

Section 11. Effect of Resolution. In adopting this resolution, notwithstanding any other provision hereof, the Agency assumes no responsibility for obtaining or assisting the Company in obtaining financing for the Project. This resolution is not a contract between the Agency and the Company and it shall not be construed as such.

Section 12. Expiry of Resolution. This resolution may be deemed by the Agency to have expired at any time after twelve (12) months from the date hereof, unless (a) extended by the Company with the consent of the Agency and by payment of the Agency's extension fee of \$500, or (b) the financing has been committed or closed. Any extension or renewal will be for an additional twelve (12) month period.

Section 13. Appointment of Agency Counsel. The law firm of Cuddy & Feder LLP is hereby directed to commence work as Agency Counsel with respect to the transaction.

Section 14. Appointment of Special Counsel. The law firm of Arent Fox LLP is hereby directed to commence work as Special Counsel with respect to the transaction.

Section 15. Effective Date. The resolution shall take effect immediately.

Adopted: March 30, 2015

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CERTIFIED to be a true and correct copy of the resolution adopted on March 30, 2015 by the Board of the Putnam County Industrial Development Agency.

Secretary