

A regular meeting of the Dutchess County Industrial Development Agency, having offices at Three Neptune Road, Poughkeepsie, New York, was convened in public session on May 13, 2020 at 8:00 a.m., local time. Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1, as extended, suspending certain requirements of the Open Meetings Law, the meeting was held electronically via webinar with teleconference access made available to the public, instead of a public meeting open for the public to attend in person.

The meeting was called to order by the Chairman, with the following members being:

PRESENT: Timothy Dean, Chairman
Mark Doyle, Vice Chairman
Kathleen M. Bauer, Secretary/ Treasurer
Alfred D. Torreggiani
Stacey M. Langenthal
Donald R. Sagliano
Ronald J. Piccone, II

ABSENT:

ALSO PRESENT: Sarah Lee, Executive Director
Marilyn Yerks, Chief Financial Officer
Donald Cappillino, Counsel
Elizabeth A. Cappillino, Counsel

On motion duly made by Donald R. Sagliano and seconded by Kathleen M. Bauer, the following resolution (the "**Resolution**") was placed before the members of the Dutchess County Industrial Development Agency:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the approval of the Agency's COVID-19 Relief Equipment Lease Program.

RESOLUTION OF THE DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE AGENCY'S COVID-19 RELIEF EQUIPMENT LEASE PROGRAM, AUTHORIZING THE CHAIRMAN, EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER TO ADMINISTRATIVELY APPROVE APPLICANTS AND GRANT FINANCIAL BENEFITS AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

CAPPILLINO,
ROTHSCHILD
& EGAN LLP
Attorneys at Law
Seven Broad Street
P.O. Box 390
Pawling, New York
12564-0390
(845) 855-5444

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 335 of the Laws of 1977 of the State of New York, as amended from time to time (collectively, the “Act”), the Dutchess County Industrial Development Agency (the “Agency”) was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the COVID-19 Pandemic has negatively impacted the economic health and welfare of the citizens, businesses and municipalities located with Dutchess County, New York; and

WHEREAS, the Agency contemplates initiating a COVID-19 Relief Equipment Lease Program, (the “Program”) pursuant to which the Agency will grant sales and use tax exemptions of up to \$100,000 to manufacturers, suppliers and distributors of personal protective equipment (“PPE”) for health care and medical providers, first responders, home health aides, patients and for residents’ personal use, medical and hospital equipment, disinfectants, sterilizers and sanitizer equipment, products and chemicals, as well as medicine and pharmaceutical products and over the counter drugs to be used in the treatment and prevention of COVID-19. The Program will apply to the acquisition and installation of machinery and equipment, including manufacturing and production equipment, material handling equipment, racking, shelving, storage and sorting equipment, computers, hardware, software and tele-communication equipment, as well the renovation and repair of existing buildings and facilities necessary for the installation and operation of such machinery and equipment; and

WHEREAS, additional details about the Program are attached hereto as Exhibit A; and

WHEREAS, companies may apply for assistance under the Program by completing the Agency’s Application for Financial Assistance – COVID-19 Relief Equipment Lease Program (the “Application”); and

WHEREAS, the Agency will provide its assistance to companies that file an approved Application (each a “Company”), in the acquisition and the installation of certain equipment and personal property, and certain repairs and renovations to the Facility (as defined below) necessary to accommodate the installation thereof (the “Equipment”), which Equipment is to be leased by the Agency to the Company and installed in the Company’s facility located within Dutchess County and more particularly described in the Company’s Application (the “Facility”), and which Facility and Equipment are to be used in the Company’s business (the “Project”); and

WHEREAS, the Agency will grant financial assistance to each Company in the form of exemptions from sales and use taxes in an amount not to exceed \$100,000 in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility (the “Sales Tax Benefit”), which Sales Tax Benefit is to be utilized specifically in furtherance of the Program; and

WHEREAS, the Chairman, the Executive Director, and Chief Financial Officer of the Agency will have the administrative authority to approve Applications and Projects under the Program and to grant the Sales Tax Benefit without the prior approval of the Agency; and

WHEREAS, the Agency will acquire title to the Equipment pursuant to a certain Equipment Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Equipment Lease Agreement) (the "**Equipment Bill of Sale**"), from the Company to the Agency; and

WHEREAS, the Agency will lease the Equipment to each Company pursuant to a certain Equipment Lease and Project Agreement, dated such date as the Chairman, the Executive Director, and Chief Financial Officer, and counsel to the Agency shall agree (each, an "**Equipment Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Agency will ratify and confirm any administrative action taken by the Chairman, the Executive Director, and Chief Financial Officer in connection with each Project under the Program, including the acceptance and approval of each Application, the granting of the Sales Tax Benefit, and the execution and delivery of the Equipment Lease Agreement, at the Agency's next scheduled board meeting following the performance of such administrative action.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(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) Each Facility under the Program constitutes a "project", as such term is defined in the Act; and

(c) The Program will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Dutchess County, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.

(d) It is desirable and in the public interest for the Agency to lease the Equipment to the Company; and

(e) The Equipment Lease Agreement will be an effective instrument whereby the Agency leases the Equipment to the Company, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company.

Section 2. The Agency hereby approves the Program and the form and substance of the Application in connection therewith.

Section 3. The Agency hereby delegates administrative authority to the Chairman, the Executive Director, and Chief Financial Officer of the Agency to: (i) approve Applications, (ii) grant financial assistance in the form of the Sales Tax Benefit, and (iii) execute and deliver the Equipment Lease Agreement, all in connection with the Program and without any further prior approval of the Agency.

Section 4. In consequence of the foregoing, the Agency hereby determines to ratify and confirm any administrative action taken by the Chairman, the Executive Director, and Chief Financial Officer in connection with each Project under the Program, including the acceptance and approval of each Application, the granting of the Sales Tax Benefit, and the execution and delivery of the Equipment Lease Agreement, at the Agency's next scheduled board meeting following the performance of such administrative action.

Section 5. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Equipment to each Company pursuant to the respective Equipment Lease Agreement, and (ii) execute, deliver and perform the Equipment Lease Agreement.

Section 6. The Agency is hereby authorized to acquire the personal property described in Exhibit A to the Equipment Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 7. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company under the Program, subject to the administrative approval of the Chairman, the Executive Director, and Chief Financial Officer of the Agency, in the form of exemptions from sales and use taxes in an amount not to exceed \$100,000 in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, consistent with the policies of the Agency.

Section 8. The form and substance of the Equipment Lease Agreement (in substantially the form presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 9. The Chairman, the Executive Director, and Chief Financial Officer and all members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Equipment Lease Agreement, in substantially the form thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, the Executive Director, and Chief Financial Officer and all members of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, the Executive Director, and Chief

Financial Officer and all members of the Agency shall constitute conclusive evidence of such approval.

Section 10. The Chairman, the Executive Director, and Chief Financial Officer and all members of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Equipment Lease Agreement).

Section 11. 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 or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, 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 resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 12. This resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was put to vote on roll call, which resulted as follows:

Timothy Dean, Chairman	VOTING	“Aye”
Mark Doyle, Vice Chairman	VOTING	“Aye”
Kathleen M. Bauer, Secretary/Treasurer	VOTING	“Aye”
Alfred D. Torreggiani	VOTING	“Aye”
Stacey M. Langenthal	VOTING	“Aye”
Donald R. Sagliano	VOTING	“Aye”
Ronald J. Piccone, II	VOTING	“Aye”

The Resolution was thereupon declared duly adopted.

Adopted: May 13, 2020

STATE OF NEW YORK)
) ss.:
COUNTY OF DUTCHESS)

I, the undersigned Secretary of the Dutchess County Industrial Development Agency, **DO HEREBY CERTIFY:**

That I have compared the annexed extract of the minutes of the meeting of the Dutchess County Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on the 13th day of May, 2020, 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 resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that, because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020, as amended by Executive Order 202.14, issued on April 7, 2020, suspending certain requirements of the Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, the Agency's Board Meeting on May 13, 2020 (the "Board Meeting"), was held electronically via conference call instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency's website, to listen to the Board Meeting by calling 1-877-311-8506, entering Passcode 360012, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency's website, and that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 13th day of May, 2020.

By: 
Kathleen Bauer, Secretary

EXHIBIT A

COVID-19 Sales and Use Tax Relief Program Dutchess County IDA

Executive Summary

As a result of the COVID-19 crisis, the demand for Personal Protective Equipment (“PPE”) and related healthcare equipment and sanitizing supplies has dramatically increased and is expected to remain in high demand as the State will require hospitals and healthcare centers to have a sufficient supply of equipment and PPE supplies on hand in case of a second wave of COVID-19. In addition, on May 3, 2020 the Governor announced that a regional purchasing consortium will be created to “work to buy American and develop new in-state suppliers to reduce supply chain risk and drive regional economic development.”

To support and encourage local businesses in the production, supply and distribution of PPE and other COVID-19 recovery products to address the demand, the Dutchess County Industrial Development Agency (“Agency”) proposes to grant sales and use tax exemptions of up to \$100,000 to manufacturers, suppliers and distributors of these products. These products may be used by health care and medical providers, first responders, home health aides, COVID-19 patients, and for residents’ personal use. PPE may include medical and hospital equipment, disinfectants, sterilizers and sanitizer equipment, products and chemicals, as well as, medicine, pharmaceutical products and over-the-counter drugs to be used in the treatment and prevention of COVID-19.

The Program will apply to the acquisition and installation of machinery and equipment, including manufacturing and production equipment, material handling equipment, racking, shelving, storage and sorting equipment, computers, hardware, software and telecommunication equipment, as well as the renovation, repair, and/or retrofit of existing buildings and facilities necessary for the installation and operation of such machinery and equipment. In addition, the equipment and other purchases under this Program must be physically located in the Dutchess County in accordance with New York State Law.

Criteria

The program is open to all businesses in the Dutchess County that are currently engaged in or are beginning to manufacture, supply and/or distribute products for the treatment or prevention of COVID-19.

Program Benefits for Businesses

- Exemption from State and County Sales and Use Taxes (8.125% on eligible purchases).
- Streamlined process with no Agency fees, including Agency Counsel fees.
- Benefit up to \$100,000 in sales and use tax exemption. (Up to \$1,230,769 in eligible purchases).
- The sales and use tax exemption benefit will apply to eligible purchases made in the six (6) month period beginning with the signing of the required program Agreements. The six (6) month period may be extended by the Agency.
- While project costs can exceed \$1,230,769 in purchases, the COVID-19 Sales and Use Tax Relief Program benefits, however, will only be provided up to the first \$100,000 in taxes exempted.
- Note: should total project costs exceed \$10,000,000, the Agency's Local Workforce Policy during construction may be applicable.

Program Benefits for Dutchess County

- Assist businesses in Dutchess County retain and create jobs.
- Support business retention by promoting product diversification and/or business expansion.
- Ease supply chain demands by promoting local production.

Program Costs

Any administrative costs will be absorbed by the Agency.

Requirements

- Eligible businesses will be required to complete a special application to request this benefit.
- Eligible businesses will be required to enter into an Equipment Bill of Sale and an Equipment Lease and Project Agreement between the business and the Agency.
- At the end of the 6-month program period, businesses that participate in the program will be required to submit evidence of total project costs and total exempted sales and use taxes.

- Required documents include:
 - a complete and accurate application;
 - a fully executed Equipment Bill of Sale and Equipment Lease and Project Agreement;
 - an ST-60 form, which the Agency will file with NY State after the agreements have been executed;
 - an ST-340 form, which the business must file with NY State at the culmination of the agreement.

Additional Information

- Special Application for COVID-19 Sales Tax Exemption
- Draft Equipment Lease and Project Agreement