

RESOLUTION

A regular meeting of County of Sullivan Industrial Development Agency (“Agency”) was convened in public session at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York on December 12, 2016 at 11:00 a.m. local time.

The meeting was called to order by Chairman Ira Steingart, and, upon roll being called, the following members of the Agency were:

	<u>PRESENT</u>	<u>ABSENT</u>
Ira Steingart	[√]	[]
Suzanne Loughlin	[√]	[]
Sean Rieber	[√]	[]
Howard Siegel	[√]	[]
Charles Barbuti, Jr.	[√]	[]
Scott Smith	[√]	[]
Paul Guenther	[]	[√]
Joseph Perrello	[]	[√]
Carol Roig	[√]	[]

The following persons were also present:

Edward T. Sykes, Executive Director
Steve White, Chief Executive Officer
Jennifer M. Flad, Vice-President of Government Affairs and
Business Development
Julio Garaicoechea, Project Manager
Walter F. Garigliano, Agency General Counsel

The following resolution was duly offered by Sean Rieber, and seconded by Suzanne Loughlin to wit:

Resolution No. 47 - 16

RESOLUTION EXTENDING THE SALES TAX ABATEMENT PERIOD FOR THE CATSKILL DISTILLING COMPANY, LTD (“CATSKILL”) AND REDFORD, LLC (“REDFORD”) AND TOGETHER WITH CATSKILL, THE “COMPANY”) PROJECT THROUGH AND INCLUDING JUNE 30, 2017

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York ("State"), as amended, and Chapter 560 of the Laws of 1970 of the State, as amended and codified as Section 960 of the General Municipal Law (collectively, the “Act”), the Agency was created with the authority and power to own, lease and sell property as authorized by the Act; and

WHEREAS, on August 12, 2009, the Company and the Agency closed a sale/leaseback transaction consisting of the: (i) acquisition, construction, installation and equipping of a building to consist of approximately 4,650± square feet with an approximately 900± square foot mezzanine to house a micro-distillery (“Distillery”) and acquisition, reconstruction, rehabilitation, installation and equipping of an existing building to house an office and operations center for the Distillery (“2009 Office Building and together with the Distillery, collectively, the “2009 Buildings”) situate on two (2) parcels of real estate consisting of approximately 8.90± acres to be located along State Route 17B in the Town of Bethel (“Town”), County of Sullivan (“County”), State and identified on the Town tax map as Section 26, Block 1, Lot 6 and Section 22, Block 1, Lot 62 (“Land”) and related facilities in which the Agency acquired an interest; (ii) acquisition and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“2009 Equipment”); (iii) construction of improvements to the 2009 Buildings, the Land and the 2009 Equipment (collectively, the 2009 Buildings, the Land and the 2009 Equipment are referred to as the “2009 Project”); and (iv) lease of the 2009 Project from the Agency to the Company; and

WHEREAS, the Company and the Agency entered into the following documents:

1. Amended and Restated Agent Agreement, dated August 11, 2009;
2. Bill of Sale to the Agency, dated August 12, 2009;
3. Lease Agreement and memorandum thereto, dated August 12, 2009; and
4. Payment in Lieu of Taxation Agreement, dated August 12, 2009;

Items #1 through #4 are collectively referred to as the (“2009 Project Documents”); and

WHEREAS, on June 1, 2015, the Company and the Agency closed on a transaction consisting of: (i) the renovation, installation and equipping of the 2009 Office Building for use as a restaurant/saloon and office building (“Restaurant/Saloon”); (ii) the renovation, installation and equipping of an existing barn approximately 900± square feet in size for use to age whiskey (“Barrel House #1”); (iii) construction, installation and equipping of a storage facility approximately 1,680± square feet in size for use to age whiskey (“Barrel House #2”); (iv) the construction, installation and equipping of a 2 story storage facility approximately 9,000± square feet in size to be used for storage and to age whiskey (“Storage/Barrel House #3”); (v) the construction, renovation, installation and equipping of an existing building to be used as a garage (“Garage”); (vi) the construction, renovation, installation and equipping of an existing building to be used as an office and art gallery (“Office/Gallery” and together with the Restaurant/Saloon, the Barrel House #1, the Barrel House #2, the Storage/Barrel House #3 and Garage are collectively referred to as the “Buildings”) situate on the Land and related facilities in which the Agency acquired an interest; (vii) the acquisition and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (viii) the construction of improvements to the Buildings, the Land and the Equipment (collectively, the Buildings, the Land and the Equipment are referred to as the “Project”); and (ix) leasing of the Project from the Agency to the Company; and

WHEREAS, the Company and the Agency entered into an Agent Agreement pursuant to which the Agency designated the Company as Agent of the Agency; and

WHEREAS, contemporaneously with execution of the Agent Agreement, the Agency delivered to the Company a Sales Tax Exemption Letter, which letter expired December 31, 2015; and

WHEREAS, on or about February 8, 2016, the authority of the Company to act as Agent of the Agency was extended to June 30, 2016; and

WHEREAS, on or about July 11, 2016, the authority of the Company to act as Agent of the Agency was extended to December 31, 2016; and

WHEREAS, by Letter, dated December 8, 2016, the Company requested that the sales tax abatement period be extended for another six (6) months to June 30, 2017.

NOW, THEREFORE, BE IT RESOLVED, that the sales tax abatement period for the Project be, and hereby is, extended through and including June 30, 2017.

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

Ira Steingart	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Suzanne Loughlin	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Sean Rieber	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Howard Siegel	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Charles Barbuti, Jr.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Scott Smith	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Paul Guenther	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Joseph Perrello	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Carol Roig	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

The resolution was thereupon duly adopted.