

## RESOLUTION

A special meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened in public session on August 23, 2017, at 11:00 a.m., local time, at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

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	[ ]	[ √ ]
Edward T. Sykes	[ √ ]	[ ]
Howard Siegel	[ √ ]	[ ]
Scott Smith	[ ]	[ √ ]
Paul Guenther	[ ]	[ √ ]
Joseph Perrello	[ √ ]	[ ]
Carol Roig	[ √ ]	[ ]

The following persons were also present:

Jennifer M. Flad, Executive Director  
Steve White, Chief Executive Officer  
Julio Garaicoechea, Project Manager  
Walter F. Garigliano, Agency General Counsel

The following resolution was duly offered by Howard Siegel, and seconded by Joseph Perrello, to wit:

Resolution No. 42 - 17

***RESOLUTION AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF THREE (3) OR MORE MORTGAGES (AND RELATED FINANCING DOCUMENTS) IN FAVOR OF THE BANCORP BANK ("BANK") IN AN AGGREGATE AMOUNT NOT TO EXCEED \$12,000,000 RELATING TO THE CATSKILL HOSPITALITY HOLDING, LLC AND CATSKILL HOSPITALITY OPERATING, LLC ("CHO" AND TOGETHER WITH CHH THE, "COMPANY") PROJECT***

***WHEREAS***, the Agency was created by Chapter 560 of the Laws of 1970 of the State of New York, as amended, pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

**WHEREAS**, on June 20, 2016 by resolution #22-16, the Agency authorized the Company to proceed with a project consisting of the: (i) acquisition, construction, installation and equipping of an approximately 56,000 square foot building intended to be used as a limited service hotel (“Building”) situate on one (1) parcel of real estate consisting of approximately 6.59± acres located along Golden Ridge Road, Town of Thompson, County of Sullivan, State of New York and identified on the Town of Thompson tax map as a portion of Section 13, Block 3, Lot 38.1 (“Land”); (ii) acquisition, construction and equipping of the Building; (iii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (iv) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the “Facility” or the “Project”); and (v) lease of the Project from the Agency to the Company; and

**WHEREAS**, on September 12, 2016 by resolution #32-16, the Agency approved the execution and delivery of one or more mortgages in favor of Jeff Bank in an aggregate amount not to exceed \$8,223,500; and

**WHEREAS**, the Company was unable to close on the anticipated straight lease transaction with the Agency due to issues associated with project financing; and

**WHEREAS**, on February 27, 2017 by resolution #09-17, the Agency authorized taking title to the Land from the present owner as nominee of the Company; and

**WHEREAS**, on March 17, 2017, the Company and the Agency entered into the following documents:

Agent and Project Agreement; and

Environmental Compliance and Indemnification Agreement

; and

**WHEREAS**, CHH has arranged financing for the Project through the Bank and Empire Certified Development Corporation (“Project Financing”); and

**WHEREAS**, CHH has requested that the Agency enter into the following documents to secure the Project Financing:

1. a Mortgage and Security Agreement (together with any and all related financing documents) in the amount of FIVE MILLION THREE HUNDRED FORTY-FIVE THOUSAND THREE HUNDRED SEVENTY-NINE AND 00/100 (\$5,345,379.00) Dollars in favor of the Bank securing a permanent loan; and
2. a Mortgage and Security Agreement (together with any and all related financing documents) in the amount of THREE MILLION TWO HUNDRED SEVEN THOUSAND TWO HUNDRED TWENTY-SEVEN AND 00/100 (\$3,207,227.00)

Dollars in favor of the Bank securing an interim loan (“Interim Loan”); and

3. a Mortgage and Security Agreement (together with any and all related financing documents) in the amount of TWO HUNDRED FIVE THOUSAND AND 00/100 (\$205,000.00) Dollars in favor of the Bank; and

*WHEREAS*, it is contemplated that the Agency will join in the execution of three (3) or more Mortgages in favor of the Bank (together with any and all related financing documents) which in the aggregate shall not exceed TWELVE MILLION AND 00/100 (\$12,000,000.00) Dollars abating mortgage recording tax in an amount not to exceed ONE HUNDRED TWENTY THOUSAND AND 00/100 (\$120,000.00) Dollars.

*WHEREAS*, CHH has requested the Agency enter into a Lease Subordination Agreement in favor of Empire State Certified Development Corporation (“CDC/SBA”); and

*WHEREAS*, CHH has requested the Agency join in execution of a mortgage for the benefit of CDC/SBA in the original principal amount of THREE MILLION TWO HUNDRED NINETY-SEVEN THOUSAND AND 00/100 (\$3,297,000.00) Dollars to be recorded upon completion of the Project; and

*WHEREAS*, CDC/SBA has required fee title to vest in CHH as a condition of the Project Financing.

***NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:***

Section 1. The Chairman, Executive Director or Chief Executive Officer of the Agency, each acting individually, are each hereby authorized, on behalf of the Agency, to execute and deliver three (3) or more Mortgages (together with any and all related financing documents) which shall not exceed TWELVE MILLION AND 00/100 (\$12,000,000.00) Dollars in favor of the Bank abating mortgage recording tax in an amount not to exceed ONE HUNDRED TWENTY THOUSAND AND 00/100 (\$120,000.00) Dollars all in form approved by Counsel to the Agency and with such changes, variations, omissions and insertions as the Chairman, Executive Director or Chief Executive Officer of the Agency shall approve, the execution thereof by the Chairman, Executive Director or Chief Executive Officer of the Agency to constitute conclusive evidence of such approval.

Section 2. The Chairman, Executive Director or Chief Executive Officer of the Agency, each acting individually, are each hereby authorized, on behalf of the Agency, to execute and deliver a Lease Subordination Agreement and a CDC/SBA mortgage (together with any and all related financing documents) which shall not exceed THREE MILLION TWO HUNDRED NINETY-SEVEN THOUSAND AND 00/100 (\$3,297,000.00) Dollars all in form approved by Counsel to the Agency and with such changes, variations, omissions and insertions as the Chairman, Executive Director or Chief Executive Officer of the Agency shall approve, the

execution thereof by the Chairman, Executive Director or Chief Executive Officer of the Agency to constitute conclusive evidence of such approval.

Section 3. The Agency hereby authorizes CDC/SBA to transfer fee title to the Land from the Agency to CHH.

Section 4. 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 and to execute and deliver all such certificates, instruments, documents, and 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 on behalf of the Agency desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all the terms, covenants and provisions of the documents for and on behalf of the Agency.

Section 5. These resolutions shall take effect immediately.

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 type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Sean Rieber	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Edward T. Sykes	<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
Scott Smith	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input 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.

STATE OF NEW YORK :  
:SS.:  
COUNTY OF SULLIVAN :

I, the undersigned Secretary (Assistant) of the County of Sullivan Industrial Development Agency, DO HEREBY CERTIFY THAT:

- I have compared the foregoing copy of a resolution of the County of Sullivan Industrial Development Agency ("Agency") with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.
- Such resolution was passed at a meeting of the Agency duly convened in public session on the 23<sup>rd</sup> day of August, 2017 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
Ira Steingart	[ <input checked="" type="checkbox"/> ]	[            ]
Suzanne Loughlin	[            ]	[ <input checked="" type="checkbox"/> ]
Sean Rieber	[            ]	[ <input checked="" type="checkbox"/> ]
Edward T. Sykes	[ <input checked="" type="checkbox"/> ]	[            ]
Howard Siegel	[ <input checked="" type="checkbox"/> ]	[            ]
Scott Smith	[            ]	[ <input checked="" type="checkbox"/> ]
Paul Guenther	[            ]	[ <input checked="" type="checkbox"/> ]
Joseph Perrello	[ <input checked="" type="checkbox"/> ]	[            ]
Carol Roig	[ <input checked="" type="checkbox"/> ]	[            ]

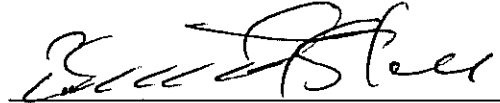
- The question of the adoption of the foregoing resolution was duly put to a vote on roll call which resulted as follows:

Ira Steingart	[ <input checked="" type="checkbox"/> ] Yes	[   ] No	[   ] Absent	[   ] Abstain
Suzanne Loughlin	[   ] Yes	[   ] No	[ <input checked="" type="checkbox"/> ] Absent	[   ] Abstain
Sean Rieber	[   ] Yes	[   ] No	[ <input checked="" type="checkbox"/> ] Absent	[   ] Abstain
Edward T. Sykes	[ <input checked="" type="checkbox"/> ] Yes	[   ] No	[   ] Absent	[   ] Abstain
Howard Siegel	[ <input checked="" type="checkbox"/> ] Yes	[   ] No	[   ] Absent	[   ] Abstain
Scott Smith	[   ] Yes	[   ] No	[ <input checked="" type="checkbox"/> ] Absent	[   ] Abstain
Paul Guenther	[   ] Yes	[   ] No	[ <input checked="" type="checkbox"/> ] Absent	[   ] Abstain
Joseph Perrello	[ <input checked="" type="checkbox"/> ] Yes	[   ] No	[   ] Absent	[   ] Abstain
Carol Roig	[ <input checked="" type="checkbox"/> ] Yes	[   ] No	[   ] Absent	[   ] Abstain

and therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law, said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

*IN WITNESS WHEREOF*, I have hereunto set my hand and seal on the 23<sup>rd</sup> day of August, 2017.



By: Edward T. Sykes, Assistant Secretary