

RESOLUTION

A reconvened meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened in public session on December 17, 2018, 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
Cassandra Egan, Administrative Assistant
Julio Garaicoechea, Project Manager
Walter F. Garigliano, Agency General Counsel

The following resolution was duly offered by _____,
and seconded by _____, to wit:

Resolution No. ____ - 18

RESOLUTION OF THE AGENCY APPOINTING FORESTBURGH PROPERTY LLC (“FORESTBURGH PROPERTY”) AND FORESTBURGH HOSPITALITY LLC (“FORESTBURGH HOSPITALITY”) TOGETHER WITH FORESTBURGH PROPERTY COLLECTIVELY, THE “COMPANY”) AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, INSTALLING AND EQUIPPING THE PROJECT (HEREINAFTER DEFINED); MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT AND PROJECT AGREEMENT BETWEEN THE AGENCY AND THE COMPANY; AUTHORIZING THE AGENCY TO EXECUTE THE LEASE TO AGENCY, LEASEBACK TO COMPANY, PAYMENT IN LIEU OF TAX AGREEMENT

(“PILOT AGREEMENT”) AND RELATED DOCUMENTS WITH RESPECT TO THE ACQUISITION, CONSTRUCTION, INSTALLATION AND EQUIPPING OF THE PROJECT.

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, the Company has presented an application (“Application”) to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the: (i) acquisition, construction, installation and equipping of (a) an approximately 100 fully-assembled, canvas bell tents for overnight camping (“Tents”); (b) an approximately 650 square foot general store (“General Store”); (c) an approximately 1750 square foot bath house with showers, toilets and sinks (“Bath House”); and (d) an approximately 3800 square foot lodge for entertainment (“Building” together with the Tents, General Store, Bath House collectively, the “Campground”) situate on seven (7) parcels of real estate consisting of approximately 320 acres located at 80 Tannery Road, Town of Forestburgh (“Town”), County of Sullivan (“County”), State of New York and identified on the Town tax map as Section 24, Block 1, Lots 3; 26.3; 26.4; 26.5; 26.6; 26.7; and 26.8 (“Land”); (ii) construction and equipping of the Campground; (iii) the construction, reconstruction, renovation and/or repair of water and sewer infrastructure located on the Land; (iv) the construction, reconstruction, renovation and/or repair of roadway and drainage infrastructure located on the Land; (v) the construction, reconstruction, renovation and/or repair of lighting, electricity and connectivity infrastructures on the Land and the development of infrastructure (collectively, (iii), (iv) and (v) are referred to as the “Infrastructure Improvements”); (vi) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (vii) construction of improvements to the Campground, the Land, the Infrastructure Improvements and the Equipment (collectively, the Campground, the Land, the Infrastructure Improvements and the Equipment are referred to as the “Project”); and (viii) lease of the Project from the Agency to the Company; and

WHEREAS, the total financial assistance being contemplated by the Agency is greater than \$100,000 and therefore the proposed action is subject to a public hearing; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of acquiring, constructing, installing and equipping the Project; (ii) negotiate and enter into a Lease to Agency, Leaseback to Company and PILOT Agreement with the Company; (iii) hold a leasehold interest in the Land, the improvements and personal property thereon which constitute the Project (once the Lease to Agency, Leaseback to Company and PILOT Agreement have been negotiated); and (iv) provide financial assistance to the Company in the form of (a) sales tax exemption for purchases related to the acquisition, construction, installation and equipping of the Project; (b) a real property tax abatement on increased value resulting from improvements to the Land through the PILOT Agreement; and (c) a mortgage tax exemption for financing related to the Project; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (“SEQR”), the Agency constitutes a “State Agency”; and

WHEREAS, to aid the Agency in determining whether the Project may have significant adverse effects on the environment, the Company has presented a Full Environmental Assessment Form ("EAF") to the Agency with respect to the Project for its review; and

WHEREAS, the Agency has determined that the Project is an Unlisted Action under SEQR; and

WHEREAS, the Agency has given due consideration to the Application of the Company and to representations by the Company that the proposed financial assistance is an inducement to the Company to undertake the Project; and

WHEREAS, the Agency has considered the following matters as more fully set forth in its Uniform Tax Exemption Policies:

- A. Permanent private sector job creation and retention;
- B. Estimated value of the tax exemption;
- C. Whether the affected taxing jurisdictions shall be reimbursed by the Company if the Project does not fulfill the purposes for which the exemption was granted;
- D. Impact of Project on existing and proposed business or economic development projects;
- E. The amount of private sector investment generated or likely to be generated by the Project;
- F. Demonstrated public support for the Project;
- G. Likelihood of accomplishing the Project in a timely fashion;
- H. Environmental impact;
- I. Extent to which the Project will require additional services including, but not limited to educational, police, transportation, EMS and fire;
- J. Extent to which the Project will provide additional revenues; and
- K. Extent to which the Project will serve the public purposes of the Act by preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in the State;

; and

WHEREAS, the Agency desires to encourage the Company to advance the job opportunities, health, general prosperity and economic welfare of the people of Sullivan County, New York by providing the contemplated financial assistance and undertaking the Project; and

WHEREAS, the Chief Executive Officer or Chairman has negotiated a Lease to Agency, Leaseback to Company, PILOT Agreements and related documents with the Company; and

WHEREAS, the Lease to Agency, Leaseback to Company, PILOT Agreement and related documents have been prepared by Agency counsel.

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

Section 1. The Company has presented to the Agency, among other things:

- (A) An Application in form acceptable to the Agency;
- (B) A Cost/Benefit Analysis relating to the proposed financial assistance; and
- (C) An EAF.

Section 2. Based upon (i) the representations made by the Company to the Agency, and (ii) a review of the EAF and related documents, the Agency hereby determines that:

- (A) The Project consists of the acquisition, construction, installation and equipping of an upscale campground; and
- (B) The Project is an Unlisted Action under the SEQR. Based upon the review by the Agency of the EAF and representations made by the Company to the Agency in connection with the Project, the Agency hereby finds that (i) the Project will result in no major impacts and therefore, is one which may not cause significant damage to the environment; (ii) the Project will not have a “significant effect on the environment” as such quoted term is defined in Article 8 of the Environmental Conservation Law and Regulations adopted pursuant thereto by the Department of Environmental Conservation of the State; and (iii) no “environmental impact statement” as such quoted term is defined in SEQR need be prepared for this action. This determination constitutes a negative declaration for purposes of SEQR. The Agency’s findings are incorporated in the EAF.

A copy of this resolution shall together with the attachments thereto be placed on file in the office of the Agency where the same shall be available for public inspection during business hours, and notices of this negative declaration shall be filed in such offices, posted in such places, and published in such publications as shall be necessary to conform with the requirements of SEQR.

Section 3. The Agency has determined that the proposed financial assistance exceeds the sum of \$100,000.00 and therefore a public hearing on due notice was held on December 17, 2018 at 9:00 a.m., in the Town of Forestburgh Town Hall, Lower Level, 332 King Road, Forestburgh, New York 12777 at which hearing comments relating to the proposed financial assistance were solicited. Said public hearing was open to the general public and public notice of the time and place of said public hearing was duly given in accordance with the applicable provisions of the General Municipal Law of the State.

Section 4. Based upon representations made by the Company to the Agency, the Agency hereby makes, finds and determines as follows:

- (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;
- (B) It is desirable and in the public interest for the Agency to (i) acquire an interest in the Land and to take a leasehold interest in the improvements and personal property constituting the Project; (ii) appoint the Company as its agent for purposes of acquiring, constructing, installing and equipping the Project, and (iii) lease or installment sell the Land, improvements and personal property constituting the Project to the Company pursuant to the Leaseback to Company and subject to the PILOT Agreement;
- (C) The Agency has the authority to take the actions contemplated therein under the Act; and
- (D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Sullivan County and otherwise furthering the purposes of the Agency as set forth in the Act.

Section 5. Subject to the Company executing an Agent and Project Agreement in form and substance approved by the Chief Executive Officer, the Agency hereby authorizes the Company to proceed with the acquisition, construction, installation and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency to acquire, construct, install and equip the Project on behalf of the Agency; with the authority to delegate its status as agent of the Agency to the Company's agents, subagents, contractors, subcontractors, suppliers, vendors and other such parties as the Company may choose. The appointment described above includes the following activities as they relate to the acquisition, construction, installation and equipping of the Project, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Project; (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, construction, installation and equipping of the Project; (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with the acquisition, construction, installation and equipping of the Project; and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under the Project, including all repairs and replacements of such property. This agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Project, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to construct and equip the

Project shall expire on February 15, 2019 if the Lease to Agency, Leaseback to Company and PILOT Agreement have not been executed and delivered.

- Section 6. The Lease to Agency, Leaseback to Company, PILOT Agreement and related documents which were negotiated by the Chief Executive Officer, are hereby approved as to form and substance on condition that: (i) the payments under the Leaseback to Company include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreements are consistent with the Agency's Uniform Tax Exemption Policy.
- Section 7. The Chief Executive Officer or Chairman of the Agency, either acting individually, is hereby authorized, on behalf of the Agency, to execute and deliver the Lease to Agency, Leaseback to Company, PILOT Agreement and related documents in the form presented at this meeting all with such changes, variations, omissions and insertions as the Chief Executive Officer or Chairman of the Agency shall approve, the execution thereof by the Chief Executive Officer or Chairman of the Agency to constitute conclusive evidence of such approval.
- Section 8. The Chief Executive Officer or Chairman of the Agency, either acting individually, is hereby authorized, on behalf of the Agency, to execute and deliver any mortgage, assignment of leases and rent, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or prepared on advice of counsel to the Agency ("Financing Documents"); and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Financing Documents and to attest the same, provided that in all events recourse against the Agency is limited to the Agency's interest in the Project.
- Section 9. The officers, employees and agents of the Agency are hereby authorized and directed 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 this resolution 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 10. It is hereby found and determined that 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 that all deliberations of the Agency and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

Section 11. The Executive Director or Counsel to the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company; and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 12. This resolution shall take effect immediately.

THE MEMBERS VOTED ON THE FOREGOING RESOLUTION AS FOLLOWS:

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

and therefore, the resolution was declared duly adopted.

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

I, the undersigned Secretary (or Assistant) of the Agency DO HEREBY CERTIFY THAT:

1. I have compared the foregoing copy of a resolution of the 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.
2. Such resolution was passed at a meeting of the Agency duly convened in public session on the 17th day of December, 2018 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	[]	[]
Suzanne Loughlin	[]	[]
Sean Rieber	[]	[]
Edward T. Sykes	[]	[]
Howard Siegel	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Joseph Perrello	[]	[]
Carol Roig	[]	[]

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

Ira Steingart	[] Yes	[] No	[] Absent	[] Abstain
Suzanne Loughlin	[] Yes	[] No	[] Absent	[] Abstain
Sean Rieber	[] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] Yes	[] No	[] Absent	[] Abstain
Scott Smith	[] Yes	[] No	[] Absent	[] Abstain
Paul Guenther	[] Yes	[] No	[] Absent	[] Abstain
Joseph Perrello	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] 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 (Open Meetings 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 17th day of December, 2018.

Secretary