

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

548 Broadway
Monticello, New York 12701
(845) 428-7575 - Voice
(845) 428-7577 - Fax
www.sullivanida.com
TTY 711

MEETING NOTICE

TO: Ira Steingart, IDA Chairman
Suzanne Loughlin, IDA Vice Chair
Sean Rieber, IDA Secretary
Howard Siegel, IDA Treasurer
Edward Sykes, IDA Assistant Secretary & Chief Executive Officer
Scott Smith, IDA Assistant Treasurer
Paul Guenther, IDA Member
Joseph Perrello, IDA Member
Carol Roig, IDA Member
Chairman and Members of the Sullivan County Legislature
Josh Potossek, Sullivan County Manager
Walter Garigliano, Esq., IDA Counsel

FROM: Jennifer Flad, Executive Director

DATE: September 5, 2019

PLEASE TAKE NOTICE that there will be a Regular Meeting of the County of Sullivan Industrial Development Agency scheduled as follows:

DATE: September 9, 2019 - Monday
TIME: 11:00 AM
LOCATION: Legislative Committee Room
Sullivan County Government Center
100 North Street
Monticello, New York 12701

Please See Page 2 Below For Agenda

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AMENDED MEETING AGENDA

Monday, September 9, 2019, 11:00 AM

Legislative Committee Room
Sullivan County Government Center
100 North Street
Monticello, New York 12701

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MEETING MINUTES

August 12, 2019 Regular Meeting

IV. BILLS AND COMMUNICATIONS

V. STAFF REPORT

VI. OLD BUSINESS

None

VII. NEW BUSINESS

Resolution: Extending the Sales Tax Abatement Period for the Sullivan Resorts, LLC Project from October 1, 2019 Through and Including March 31, 2020

Resolution: Extending the Sales Tax Abatement Period for the Veria Lifestyle, Inc. Project from October 1, 2019 Through and Including March 31, 2020

Resolution: Amending Resolution #33-19 Relating to the 457 Equities Monticello Corp. Project

Resolution: Amending and Restating the Agency's By-Laws

Discussion: Draft 2020 Agency Budget

Discussion: Agency Mortgage Tax Abatement Policy

Any and All Other Business Before the Board

VIII. ADJOURN

##

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548 Broadway
Monticello, New York 12701
Tel: (845) 428-7575
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www.sullivanida.com

MEETING MINUTES
Monday, August 12, 2019

I. CALL TO ORDER

Chairman Steingart called to order the regular meeting of the County of Sullivan Industrial Development Agency at approximately 11:02 AM, in the Legislative Committee Room at the Sullivan County Government Center, 100 North Street, Monticello, NY 12701.

II. ROLL CALL

Members Present-

Ira Steingart
Suzanne Loughlin
Howard Siegel
Joseph Perrello
Edward Sykes
Paul Guenther
Sean Rieber
Carol Roig

Members Absent-

Scott Smith

Staff Present-

Jennifer Flad, Executive Director
Julio Garaicoechea, Project Manager
Cassandra Egan, Administrative Assistant

Staff Absent-

Others Present-

Walter Garigliano, *Agency Counsel*
Tara Lewis, *Garigliano Law Offices (*By Phone)*
Robert Ryan *Harris Beach PLLC*
Patricio Robayo, *Sullivan County Democrat*
Matt Nanci, *The Times Herald Record*
Ken Walter
Mr. Singer

III. APPROVAL OF MEETING MINUTES

On a motion made by Mr. Siegel and seconded by Mr. Guenther, the Board voted, and the minutes of the July 8, 2019 regular meeting were unanimously approved.

IV. BILLS AND COMMUNICATIONS

Ms. Sykes made a motion to approve the revised schedule of payments. Mr. Guenther seconded the motion, the Board voted, and the revised schedule of payments was unanimously approved.

V. STAFF REPORT

There were no comments on the staff report.

VI. EXECUTIVE SESSION/ CLOSED ATTORNEY-CLIENT PRIVILEGED SESSION

On a motion made by Mr. Rieber and seconded by Ms. Loughlin, at 11:04 A.M. the Board entered executive session to discuss PILOT projects in default, and closed session to obtain legal advice.

On a motion made by Mr. Siegel and seconded by Mr. Perrello the Board exited executive session and closed session at 11:58 A.M.

VI. NEW BUSINESS

The Board reviewed and discussed a resolution amending and restating the Agency's 2006 Investment Policy. Mr. Guenther made a motion to approve the resolution. Ms. Loughlin seconded the motion, the Board voted, and the resolution was unanimously approved.

The Board reviewed and discussed a resolution amending and restating the Agency's By-Laws. Mr. Siegel made a motion to approve the resolution. Mr. Perrello seconded the motion, the Board voted, and the resolution was unanimously approved.

The Board reviewed and discussed a resolution extending the sales tax abatement period for **The Empire Resorts Real Estate II, LLC** Project through and including February 29, 2020. Mr. Perrello made a motion to approve the resolution. Mr. Guenther seconded the motion, the Board voted, and the resolution was unanimously approved.

The Board reviewed and discussed a resolution amending Resolution #18-19 relating to **The Catskill Brewery, LLC** Rural Business Development Grant. Mr. Perrello made a motion to approve the resolution. Mr. Guenther seconded the motion, the Board voted, and the resolution was unanimously approved.

The Board reviewed and discussed a resolution consenting to the assignment by **Bloomington Housing Associates**, of all right, title and interest in and to the project located at 68 Godfrey Road, Village of Bloomington, New York to Tiv Leivov LLC. Attorney Garigliano gave a brief background on the project's history and the Board discussed IDA benefits in relation to projects changing ownership. Chairman Steingart indicated that he intends to put a committee together to further clarify the relation between IDA benefits and project ownership changes. Mr. Rieber made a motion to approve the resolution. Mr. Guenther seconded the motion, the Board voted, and the resolution was unanimously approved.

VII. PUBLIC COMMENT

The board recognized the comments of Ken Walter.

IX. RECESS

On a motion made by Mr. Guenther and seconded by Mr. Sykes, the meeting was recessed at 12:11 PM to be reconvened on the 3rd of September 2019 at 11 AM in the Legislative Committee Room.

Respectfully submitted:
Cassandra Egan, Administrative Assistant

##

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY**548 Broadway, Monticello, NY 12701****845-428-7575****SCHEDULE OF PAYMENTS AS OF SEPTEMBER 9, 2019**

	Vendor	Description	Amount
1	Cardmember Services	Software Renewals; Postage; Adobe Acrobat Subscription; Keller Signs	\$ 1,237.61
2	Garigliano Law Offices, LLP	September 2019 Retainer	\$ 250.00
3	Jennifer Flad	Health Insurance Reimbursement	\$ 3,062.60
4	New Southern Tier Title Agency LLC	October 2019 Office Rent	\$ 2,700.00
5	USDA Rural Development	RMAP Loan Repayment - September 2019	\$ 2,370.41
6	Kristt Company	Office Supplies	\$ 86.00
	TOTAL		\$ 9,706.62
	I certify that the payments listed above were audited by the Board of the IDA on September 9, 2019 and allowed in the amounts shown. You are hereby authorized and directed to pay each of the claimants in the amount opposite its name.		
	9/9/2019		
	Date		

Expenses Approved and Paid Since Last Regular Meeting (8/12/2019)

	Vendor	Description	Amount
7	e-Nable Business Solutions	Professional Services 7/15/19	\$ 95.00
8	Garigliano Law Offices	Preparation of Satisfaction of Mortgage - Kranky Pants LLC (<i>pass - through</i>)	\$ 100.00
9	Mike Preis, Inc.	Renewal of Commercial Package and Cyber Liability Policies	\$ 10,158.57
10	Time Warner Cable	Internet and Phone Service From 7/15/19-8/14/19	\$ 219.95
	TOTAL		\$ 10,573.52

Other Expenses and Items Paid Since Last Regular Meeting (8/12/2019)—no approval required

	Vendor	Description	Amount
11	Payroll Expenses	Payroll Check Dates: 8/16/19 and 8/30/19	\$ 16,782.31
	TOTAL		\$ 16,782.31

PILOT Payments Paid Since Last Regular Meeting (8/12/2019)

	Vendor	Description	Amount
12	County of Sullivan	RHH Land, LLC	\$ 12,429.14
13	Monticello Central School	RHH Land, LLC	\$ 27,683.74
14	Town of Thompson	RHH Land, LLC	\$ 6,009.91
	TOTAL		\$ 46,122.79

ACTIVITY REPORT – AUGUST 2019
COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY, SULLIVAN COUNTY
FUNDING CORPORATION, THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL
DEVELOPMENT CORPORATION

September 4, 2019

At its regular monthly meeting on August 12th, the County of Sullivan Industrial Development Agency (IDA) Board authorized and approved an extension of the sales tax abatement period for the Empire Resorts Real Estate II, LLC Project for construction of a hotel in the Town of Thompson, in accordance with the project agreements. The Board also authorized the assignment of the Bloomingburg Housing Associates, LP Project to Tiv Leivov LLC. The Board amended a prior resolution relating to the procurement of equipment to be leased to Catskill Brewery LLC under the US Department of Agriculture's Rural Business Development Grant (RBDG) program. Finally, the Board adopted amended and restated IDA by-laws.

During August, staff prepared draft 2020 budgets for the IDA and Sullivan County Funding Corporation (SCFC). MuniCap, Inc., the Administrator of the Adelaar Infrastructure Bonds, is working to prepare the draft 2020 budget for The Sullivan County Infrastructure Local Development Corporation (TSCILDC). All three agencies will meet in September to begin discussions of the draft budgets. In accordance with New York State's Public Authorities Law, all three agencies must adopt their 2020 budgets and submit the budgets to New York State by November 1st.

Staff attended meetings of the Sullivan County Partnership for Economic Development Board, Sullivan-Wawarsing Rural Economic Area Partnership (REAP) Board, Thompson-Monticello Grow the Gateways Implementation Committee, and Sullivan County Revolving Loan Fund Committee during August. Staff and Board members also attended the ribbon cutting ceremony at the BRR Brothers III, LLC/ Sullivan County Fabrication, Inc. facility in the Town of Fallsburg, and the Sullivan Renaissance Annual Awards Ceremony.

Staff is working with various consultants to identify a method for complying with a new law requiring IDAs to video record all open meetings and public hearings, and post these video recordings on our website. The law takes effect on January 1, 2020. We are gathering information on equipment and technologies, determining necessary upgrades to existing equipment and infrastructure, and assessing costs. We will present this information to the Board as soon as it becomes available, and seek the Board's guidance on a forward direction.

Staff continues to administer twelve loans and seventeen equipment leases for the IDA, and eight loans for SCFC. We anticipate executing one more IDA lease in the coming weeks. In addition, we are currently working with one applicant seeking SCFC loan funds.

In September, the Governance Committees of the IDA, SCFC, and TSCILDC will meet to conduct their annual business.

##

From: [Henry Zabatta](#)
To: [Jennifer Flad](#)
Cc: [Julio Garaicoechea](#)
Subject: Re: IDA sales tax exemption
Date: Friday, August 30, 2019 10:56:54 AM

We will need an additional 3 months. The DEC has not signed off.

Thanks

Henry

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened in public session on September 9, 2019, 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
Edward T. Sykes, Chief Executive Officer
Julio Garaicoechea, Project Manager
Cassandra Egan, Administrative Assistant
Walter F. Garigliano, Agency General Counsel

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

Resolution No. ____ - 19

RESOLUTION EXTENDING THE SALES TAX ABATEMENT PERIOD FOR THE SULLIVAN RESORTS, LLC ("COMPANY") PROJECT FROM OCTOBER 1, 2019 THROUGH AND INCLUDING MARCH 31, 2020

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 or about February 1 2019, the Agency closed a lease/leaseback transaction with the Company consisting of the (i) the demolition of unsafe structures and environmental remediation, located on approximately six (6) parcels of land containing in the aggregate approximately 582.61 acres located along New York State Routes 17 and 52 and Clements Road

within the Town or Village of Liberty, Sullivan County, New York and being comprised of all or a portion of the commonly known Grossinger's Resort Hotel, all as more particularly identified as all or a portion of tax map numbers 23.-1-87, 23.-1-112.3, 29.-2-3, 29.-2-7, 30.-1-1.1, and 125.-1-1.2 (collectively, the "Land") and the existing buildings or structures located thereon (collectively, the "Existing Improvements"), (ii) the demolition of certain of the Existing Improvements (the "Building Demolition"), (iii) the construction, reconstruction, renovation and/or repair of water and sewer infrastructure located on the Land (the "Infrastructure Improvements"), and the construction, reconstruction, renovation and/or repair of roadway and drainage infrastructure located on the Land; (iv) the construction, reconstruction, renovation and/or repair of lighting, electricity and connectivity infrastructures on the Land and the development of infrastructure; and (v) the acquisition and installation by the Company in and around the Existing Improvements, the Building Demolition and the Infrastructure Improvements of certain items of equipment and other tangible personal property; and

WHEREAS, on or about August 1, 2018, the Agency and the Company entered into a Master Development and Agent Agreement pursuant to which the Agency designated the Company its agent ("Agent Agreement"); and

WHEREAS, contemporaneously with the execution of the Agent Agreement, the Agency delivered to the Company a Sales Tax Exemption Letter, which letter will expire; and

WHEREAS, by email, September 4, 2019, the Company requested that the sales tax abatement period be extended to continue the construction of the Project.

NOW, THEREFORE, BE IT RESOLVED, that the sales tax abatement period for the Project be, and hereby is, extended from October 1, 2019 through and including March 31, 2020.

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 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 checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain

The resolution was thereupon duly adopted.

From: [Namasivayam SriKumar](#)
To: [Jennifer Flad](#)
Cc: [Gaurav Bidasaria](#); [Ahsan Raza](#); [Julio Garaicoechea](#)
Subject: RE: CSIDA sales tax report _Veria Lifestyle Inc.: Project#480113A and 48011504A for June 2019
Date: Thursday, September 5, 2019 12:23:06 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)

Good Morning Jennifer/Julio,

We kindly request you to extend the sales tax exemption period for Wellness Center that will expire on Sep 30, 2019. We are planning to modify the Wellness Center with bar facility and activity room etc.

Thanks

Regards

Sri

Namasivayam SriKumar

Senior Accountant

Office: (732) 486-2831

Cell: (929) 666-1296



INDIA'S HOLISTIC
WELLNESS PROGRAM

420 ANAWANA LAKE RD
MONTICELLO, NY 12701
WWW.YO1.COM



RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened in public session on September 9, 2019, 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
Edward T. Sykes, Chief Executive Officer
Julio Garaicoechea, Project Manager
Cassandra Egan, Administrative Assistant
Walter F. Garigliano, Agency General Counsel

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

Resolution No. ____ - 19

***RESOLUTION EXTENDING THE SALES TAX ABATEMENT
PERIOD FOR THE VERIA LIFESTYLE INC. PROJECT FROM
OCTOBER 1, 2019 THROUGH AND INCLUDING MARCH 31, 2020***

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 or about April 1, 2016, the Agency closed a lease/leaseback transaction with the Company consisting of: (a) a 131 room wellness center resort with amenities including, but not limited to diagnostic, holistic treatment, educational components and various exercise facilities (“Building”); (b) an 18 hole championship golf course; (c) an indoor swimming pool; and (d) a museum celebrating natural wellness, nature cure and Ayurveda practices on currently vacant parcels comprising 391 acres and identified on the Town of Thompson tax map as Section 9, Block 1, Lots 1.1, 1.2 and 7 (“Land”) located along Anawana Lake Road in the County of Sullivan, State; (ii) acquisition and installation thereon and therein of certain furniture, fixtures, machinery and equipment (“Equipment”); (iii) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the “Project”); and (iv) lease of the Project from the Agency to the Company; and

WHEREAS, on or about October 1, 2015, the Agency and the Company entered into an Agent Agreement pursuant to which the Agency designated the Company its agent; and

WHEREAS, on April 1, 2016, the Agency delivered to the Company a Sales Tax Exemption Letter, which letter has been previously extended from time to time and will expire; and

WHEREAS, by letter, dated September 5, 2019, the Company requested that the sales tax abatement period be extended to continue the Project.

NOW, THEREFORE, BE IT RESOLVED, that the sales tax abatement period for the Project be, and hereby is extended from October 1, 2019 through and including March 31, 2020.

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 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

The resolution was thereupon duly adopted.

From: jerry@emanonequities.com
To: [Jennifer Flad](#)
Subject: 457 Broadway
Date: Wednesday, September 4, 2019 3:35:14 PM

Good Afternoon Jennifer,

As per our discussion and prior emails, we anticipate the project that we are receiving the Main Street Grant for not to exceed \$70,000.00 in total cost. Having said that we would be comfortable with a not to exceed for material tax exempt purpose a ceiling of \$60,000.00.

Please let me know if you need anything further from me.

Thank you and have a good week.

Jerry Gorelick, C. E. O.

1150 Portion Road, Suite 9

Holtsville, NY 11742

Office: (631) 696-5658

RESOLUTION

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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
Edward T. Sykes, Chief Executive Officer
Julio Garaicoechea, Project Manager
Cassandra Egan, Administrative Assistant
Walter F. Garigliano, Agency General Counsel

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

Resolution No. _____ - 19

RESOLUTION AMENDING RESOLUTION #33-19 RELATING TO THE 457 EQUITIES MONTICELLO CORP. ("457 CORP.")

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 or about October 1, 2004, 457 Equities LLC ("457 LLC") presented an 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 to consist of the (i) construction, reconstruction, renovation, installation and equipping of a building to consist of approximately 23,000 square feet ("Building") situate on one (1) parcel of real estate consisting of <1.00 acre to be located at 457 Broadway in the Village of Monticello, Town of Thompson, County of Sullivan, State of New York and identified on

the Town of Thompson tax map as Section 115, Block 6, Lot 2 (“Land”) and related facilities to be owned by the Agency; (ii) acquisition and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (iii) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the “457 Broadway Project”); and (iv) lease of the Facility from the Agency to 457 LLC; and

WHEREAS, 457 Corp. applied for a New York Main Street Broadway Grant from the Sullivan County Division Planning Community Development and Real Property in an amount not to exceed FIFTY THOUSAND AND 00/100 (\$50,000.00) DOLLARS (“Grant”) to upgrade 457 Corp.’s main street appearance including but not limited to:

1. fix or replace front center siding;
2. create a second floor center window;
3. replace front entrance doors;
4. redesign front entrance;
5. repair and repaint balance of front;
6. remove interior front partitions to open store front;
7. insulate and raise interior second floor;
8. plywood and reside open areas on second floor;
9. remove awnings and replace with new director sign;

(items 1 through 9 collectively referred to as “Improvements”); and

WHEREAS, the total financial assistance being contemplated by the Agency is less than \$100,000; and

WHEREAS, in consideration of being awarded a Grant, 457 Corp. must hold title to the Land; and

WHEREAS, by resolution, dated June 10, 2019 (“Resolution #33-19”), the Agency authorized (i) transferring title; (ii) the lease/leaseback transaction; and (iii) the Company to act as its agent for the purposes of constructing, installing and equipping the Improvements to the Facility and conferred on the Company certain financial assistance consisting of an exemption from all State and local sales and use tax for the purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, installation or equipping of the Facility (“Financial Assistance”); and

WHEREAS, the anticipated cost and scope of the Improvements has been reduced since the time of Resolution #33-19; and

WHEREAS, by letter, 457 Corp. requested that the Agency amend Resolution #33-19 to memorialize this transaction; and

WHEREAS, the Agency contemplates amending its Resolution #33-19 to reduce the sales tax exemption benefit.

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

Section 1. The Agency hereby approves to amend its resolution #33-19 to reduce the sales tax exemption benefit.

Section 2. Based upon the representation and warranties made by the Company in its letter request for financial assistance, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to \$60,000, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$4,800. The Agency agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

Section 3. 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 4. These resolutions shall take effect immediately.

The question of adoption of the foregoing resolutions were duly put to a vote on roll call, which resulted 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

The resolutions were thereupon duly adopted.

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

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

1. I have compared the foregoing copy of a resolution of the County of Sullivan Industrial Development Agency (AAgency@) 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 9th day of September, 2019 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, 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 as 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 9th day of September, 2019.

Secretary

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 September 9, 2019, 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	[]	[]
Edward T. Sykes	[]	[]
Howard Siegel	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Joseph Perrello	[]	[]
Carol Roig	[]	[]

The following persons were also present:

Jennifer M. Flad, Executive Director
Edward T. Sykes, Chief Executive Officer
Julio Garaicoechea, Project Manager
Cassandra Egan, Administrative Assistant
Walter F. Garigliano, Agency General Counsel

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

Resolution No. ____ - 19

RESOLUTION AUTHORIZING AND APPROVING AN AMENDMENT AND RESTATEMENT OF THE BYLAWS OF THE AGENCY PURSUANT TO PARAGRAPH 701 OF THE BYLAWS

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, pursuant to paragraph 701 of the Agency’s Bylaws (the “Bylaws”), the same can be amended upon seven (7) days written notice to the members; and

WHEREAS, the Agency desires to amend and restate its Bylaws as set forth on the blackline attached as Exhibit A.

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

Section 1. The Bylaws as set forth in Exhibit B attached hereto are hereby approved and adopted, and supercedes and replaces all previous Bylaws of the Agency.

Section 2. This resolution 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	[] 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

The resolution was thereupon duly adopted.

STATE OF NEW YORK :
:SS
COUNTY OF SULLIVAN :

I, the undersigned (Assistant) Secretary 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 9th day of September, 2019 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 as 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 9th day of September, 2019.

Secretary

Article 100 – THE AGENCY

101. NAME. The name of the Agency shall be “County of Sullivan Industrial Development Agency” (hereinafter referred to as the “Agency”).

102. SEAL OF AGENCY. The seal of the Agency shall be in the form of a circle and shall bear the name of the Agency and the year of its organization. The use of the Agency seal shall not be required for the validity of any action of the Agency. A facsimile seal or use of the word “seal” may also be used if deemed appropriate.

103. OFFICE OF THE AGENCY. The office of the Agency shall be at 548 Broadway, Monticello, New York 12701 or such other location within the County of Sullivan as the Agency may from time to time designate by resolution.

Article 200 – BOARD MEMBERS

201. COMPOSITION. In accordance with Section 906 of the General Municipal Law, the Agency shall have nine (9) board members appointed by the governing body of the County of Sullivan.

~~202. AUTHORITY AND RESPONSIBILITIES. The Members of the Board of the Agency shall:~~

- ~~(a) execute direct oversight over the Agency’s Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Executive Director (“Management”) in the effective and ethical management of the Agency;~~
- ~~(b) understand, review and monitor the implementation of fundamental financial and management controls and operation decisions of the Agency;~~
- ~~(c) establish policies regarding the payment of salary, compensation and reimbursements to, and establish rules for the time and attendance of, the Management;~~
- ~~(d) adopt a code of ethics applicable to each officer, board member and employee that, at a minimum, includes the standards established in Section 74 of the Public Officers Law;~~
- ~~(e) establish written policies and procedures on personnel including policies protecting employees from retaliation for disclosing information concerning acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by an employee or board member of the Agency, investments, travel, the acquisition of real property and the disposition of real and personal property and the procurement of goods and services; and~~
- ~~(f) adopt a defense and indemnification policy and disclose such policy to any and all prospective board members.~~

~~203. TRAINING. Board members appointed to the Agency on or after January 13, 2006 must participate in New York State approved training regarding their legal, fiduciary, financial and ethical responsibilities as board members of the Agency within one (1) year of appointment to the board of the Agency and shall participate in such continuing training as may be required to remain informed of best practices, and~~

~~regulatory and statutory changes relating to effective oversight of management and financial activities of the Agency.~~

~~204. SEPARATION OF BOARD AND MANAGEMENT. No Chairman who is also the Chief Executive Officer shall participate in determining the level of compensation or reimbursement, or time and attendance rules for the position of Chief Executive Officer.~~

~~205. EXTENSION OF CREDIT. The Board is prohibited from extending or maintaining credit, arranging for the extension of credit, or renewing an extension of credit, in the form of a personal loan to or for any member, officer or employee of the Agency.~~

~~206. INDEPENDENCE. Except for board members who serve as members by virtue of holding a civil office of the state, the majority of the remaining members who are appointed to the board on or after January 13, 2006 must be independent. An independent member is one who:~~

~~(a) is not, and in the past two years has not been, employed by the Agency or an affiliate in an executive capacity;~~

~~(b) is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than \$15,000 for goods and services provided to the public authority or received any other form of financial assistance valued at more than \$15,000 from the Agency;~~

~~(c) is not a relative of an employee of the Agency; and~~

~~(d) is not, and in the past two years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of the Agency or an affiliate.~~

Article 300 — OFFICERS

301. BOARD OFFICERS. The Board officers of the Agency shall be a Chairman, one or more Vice Chairmen, a Secretary, and a Treasurer. There may be an Assistant Secretary and an Assistant Treasurer. Each of the foregoing offices shall be held by a ~~member~~Member of the ~~board~~Board of the Agency and except for the offices of Chairman and Vice Chairman, and Chairman and Secretary; one person may hold more than one office. ~~Officers authorized to sign orders and checks shall give such bond for the faithful performance of the duties of such office as the Agency may determine.~~

302. CHAIRMAN. The Chairman shall preside at all meetings of the Agency. Except as otherwise authorized by resolution of the Agency, the Chairman shall sign all agreements, contracts, deeds, bonds, mortgages, and other instruments of indebtedness, and any other instrument of indebtedness. At each meeting the Chairman shall submit such recommendations and information as the Chairman may consider proper concerning the business, affairs and policies of the Agency.

303. VICE CHAIRMAN. A Vice Chairman shall perform the duties of the Chairman in the absence or incapacity of the Chairman; in case of the resignation or death of the Chairman, a

Vice Chairman shall perform such duties as are imposed on the Chairman until such time as the Agency shall appoint a successor Chairman.

304. SECRETARY. The Secretary shall keep the records of the Agency, shall act as Secretary of the meetings of the Agency and record all votes and shall keep a record of the proceedings of the Agency in a journal of proceedings to be kept for such purpose and shall perform all duties incident to the office. The Secretary shall keep in safe custody the seal of the Agency and shall have power to affix such seal to all contracts and other instruments authorized to be executed by the Agency.

305. ASSISTANT SECRETARY. The Assistant Secretary shall perform the duties of the Secretary in the absence or incapacity of the Secretary; in case of the resignation or death of the Secretary the Assistant Secretary shall perform such duties as are imposed on the Secretary until such time as the Agency shall appoint a successor Secretary.

306. TREASURER. The Treasurer shall have the care and custody of all funds of the Agency and shall deposit the same in the name of the Agency in such bank or banks as the Agency may select. Unless otherwise provided by resolution, the Treasurer shall sign all orders and all checks for the payment of money; and shall pay out and disburse such moneys under the direction of Agency. If authorized, by resolution, the Chairman and, in the event of the absence or incapacity of the Chairman, a Vice Chairman, shall sign all orders and checks prepared by the Treasurer. The Treasurer shall keep regular books of account showing receipts and expenditures, and shall render to the Agency at regular intervals an account of all transactions and also of the financial condition of the Agency.

307. ASSISTANT TREASURER. The Assistant Treasurer shall perform the duties of the Treasurer in the absence or incapacity of the Treasurer; in case of the resignation or death of the Treasurer, the Assistant Treasurer shall perform such duties as are imposed on the Treasurer until such time as the Agency shall appoint a successor Treasurer.

~~308. ADDITIONAL DUTIES. The officers of the Agency shall perform such other duties and functions as may from time to time be required by the Agency by the By-Laws of the Agency, or by the rules and regulations of the Agency.~~

309. APPOINTMENT OF BOARD OFFICERS. The Chairman, Vice Chairmen, Secretary, Treasurer and any Assistant Secretary and/or Assistant Treasurer of the Agency except the first Chairman shall be appointed at the annual meeting of the Agency from among the ~~members~~Members of the Board of the Agency, and shall hold office for one year or until their successors are appointed.

310. BOARD OFFICER VACANCIES. In the event that the office of Chairman, Vice Chairman, Secretary, Treasurer and any Assistant Secretary and/or Assistant Treasurer shall become vacant, the Agency shall appoint a successor from among its membership at the next regular meeting, and such appointment shall be for the unexpired term of said office.

311. CORPORATE OFFICERS. The corporate officers of the Agency ("Corporate Officers") shall be a Chief Executive Officer, a Chief Financial Officer, a Chief Operating Officer and an

Executive Director. The appointment, compensation, terms and conditions of such corporate offices shall be determined by the Board in accordance with these By-Laws and subject to the laws of the State of New York.

312. CHIEF EXECUTIVE OFFICER. The Agency shall appoint a Chief Executive Officer who shall be ~~an officer of the Agency~~ charged with the management of all projects of the Agency. ~~The Chief Executive Officer may or may not be a member of the Board of the Agency.~~

~~312.~~313. CHIEF FINANCIAL OFFICER. The Agency may appoint a Chief Financial Officer who shall be ~~an officer of the Agency~~ charged with the management of the Agency's financial business and activities, subject to the direction of the Chief Executive Officer and the Board. ~~The Chief Financial Officer may or may not be a member of the Board of the Agency.~~

~~313.~~314. CHIEF OPERATING OFFICER. The Agency may appoint a Chief Operating Officer who shall be ~~an officer of the Agency~~ charged with the management of the Agency's day to day business activities, subject to the direction of the Chief Executive Officer and the Board. ~~The Chief Operating Officer may or may not be a member of the Board of the Agency.~~

~~314.~~315. EXECUTIVE DIRECTOR. The Agency may appoint an Executive Director who shall ~~be an officer of the Agency and shall~~ have general supervision over the administration of the business and affairs of the Agency, subject to the direction of the Chief Executive Officer and the Board.

316. ADDITIONAL DUTIES. The officers of the Agency shall perform such other duties and functions as may from time to time be required by the Agency by the By-Laws of the Agency, or by the rules and regulations of the Agency. Officers authorized to sign orders and checks shall give such bond for the faithful performance of the duties of such office as the Agency may determine.

~~315.~~317. ADDITIONAL PERSONNEL. The Agency may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the New York State Industrial Development Act, as amended, and all other laws of the State of New York applicable thereto. The selection and compensation of all personnel shall be determined by the Agency subject to the laws of the State of New York.

Article 400 – INDEMNIFICATION

401. INDEMNIFICATION. The New York State Legislature has enacted legislation permitting public entities, including industrial development agencies, to provide for the defense and indemnification of officers and employees of those agencies. This Article 400 implements that concept and the statutory intent set forth in Article 2, Section 18 of the Public officers Law of the State of New York.

402. DEFINITION OF EMPLOYEE. The term "employee" for purposes of this Article 400 shall mean any commissioner, member of a public board or commission, trustee, director, officer,

employee, volunteer expressly authorized to participate in a publicly sponsored volunteer program, or any other person holding a position by election, appointment or employment in the service of the Agency whether or not compensated. The term "employee" shall include a former employee, his estate or judicially appointed personal representative.

403. DEFENSE.

(a) Upon compliance by the employee with the provisions of Section 405 hereof, the Agency shall provide for the defense and indemnification of the employee in any civil action or proceeding, state or federal, arising out of any alleged act or omission which occurred or allegedly occurred while the employee was acting during the course of his employment and within the scope of his public employment or duties. This duty to provide for a defense and indemnification shall not arise where such civil action or proceeding is brought by, or at the behest of the Agency;

(b) Subject to the conditions set forth in this Article 400, the employee shall be represented by Counsel to the Agency or an attorney employed or retained by the Agency for the defense of the employee. The Agency shall employ or retain an attorney for the defense of the employee whenever (1) the Agency does not have Agency Counsel, (2) the Agency determines, based upon its investigation and review of the facts and circumstances of the case, that representation by the Agency Counsel would be inappropriate, or (3) a court of competent jurisdiction determines that a conflict of interest exists and that the employee cannot be represented by Agency Counsel. Reasonable attorneys' fees and litigation expenses shall be paid by the Agency to such attorney employed or retained, from time to time, during pendency of the civil action or proceeding, subject to certification by the Chairman that the employee is entitled to representation under the terms and conditions hereof. Payment of such fees and expenses shall be made in the same manner as payment of other claims and expenses of the Agency. Any dispute with respect to representation of multiple employees by Agency Counsel or by an attorney employed or retained for such purposes, or with respect to the amount of the fees or expenses shall be resolved by the court upon motion or by way of a special proceeding; and

(c) Where the employee delivers process and a written request for a defense to the Agency, under Section 405 hereof, the Agency, shall take the necessary steps on behalf of the employee to avoid entry of a default judgment pending resolution of any question pertaining to the obligation to provide for a defense.

404. DEFENSE AND INDEMNIFICATION.

(a) The Agency, shall indemnify and save harmless its employees in the amount of any judgment obtained against such employees in a state or federal court, or in the amount of any settlement of a claim, provided that the act or omission from which such judgment or claim arose occurred while the employee was acting during the course of his employment and within the scope of his public employment or duties; provided further that in the case of a settlement, the duty to indemnify and save harmless shall be conditioned upon the approval of the amount of settlement by the members of the Board of the Agency, or its insurance company. This

obligation by the Agency to indemnify shall not apply to any claims against officers and employees of the Agency, currently outstanding, or reduced to judgment, or settlement;

(b) Except as otherwise provided by law, this duty to indemnify and save harmless prescribed by this section shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the employee;

(c) Nothing in this section shall authorize the Agency to defend, indemnify or save harmless an employee with respect to any claims filed, or money recovered from an employee pursuant to Section 51 of the General Municipal Law or for any claims alleging intentional wrongdoing or a reckless act; and

(d) Upon entry of a final judgment against the employee, or upon the settlement of the claim, the employee shall serve a copy of such judgment or settlement, personally or by certified or registered mail within five (5) days of the date of entry or settlement, upon the Chairman of the Agency and Agency Counsel, and if not inconsistent with the provisions of this resolution, the amount of such judgment or settlement shall be paid by the Agency.

405. DUTY TO NOTIFY. The duty to defend or indemnify and save harmless prescribed herein shall be conditioned upon:

(a) Delivery by the employee to Agency Counsel and to the Chairman of the Agency a written request to provide for his defense, together with the original or a copy of any summons, complaint, process, notice, demand or pleading within five (5) days after he is served with such document, and

(b) The full cooperation of this employee in the defense of such action or proceeding and in defense of any action or proceeding against the Agency based upon the same act or omission, and in the prosecution of any appeal.

406. OTHER RIGHTS. The benefits conferred in this Article 400 shall inure only to employees as deemed herein and shall not enlarge or diminish the rights of any other party nor shall any provision of this Article 400 be construed to affect, alter or repeal any provision of the Worker's Compensation Law.

407. NOTICE. This Article 400 shall not in any way affect the obligation of any claimant to give notice to the Agency under Section Ten of the Court of Claims Act, Section 50 (e) of the General Municipal Law, or any other provisions of law.

408. INSURANCE. The Agency is hereby authorized and empowered to purchase insurance from any insurance company created by, or under, the laws of the State of New York, or authorized by law to transact business in this state, against any liability imposed by the provisions of this Article 400 or to act as a self-insurer with respect thereto.

409. PAYMENTS. All payments made under the terms of this Article 400, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.

410. INSURER RIGHTS. The provisions of this Article 400 shall not, be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.

411. IMMUNITY. Except as otherwise specifically provided in this Article 400, the provisions of this Article 400 shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity to liability available to, or conferred upon, any unit, entity officer or employee of the Agency, by, in accordance with, or by reason of, any other provision of state or federal statutory or common law.

412. OTHER ENACTMENTS. Except as otherwise provided in this Article 400, benefits accorded to employees under this Article 400 shall supplement, and be available in addition to, defense or indemnification protection conferred by any other enactment of the Agency, or common law. Notwithstanding anything contained herein to the contrary, the Agency shall be entitled to contribution and/or indemnification by the employee and/or other agency in the event that such other agency is also obligated to provide a defense for the employee and/or pay any sums of monies by way of indemnification and/or judgment or award.

413. APPLICABILITY. The provisions of this Article 400 shall apply to all actions or proceedings specified herein which have been commenced, instituted or brought on or after the adoption of these By-laws.

414. NO DUTY TO DEFEND AND/OR INDEMNIFY.

(a) Notwithstanding anything to the contrary contained herein there shall be no duty of the Agency to defend or indemnify any employee unless the members of the Board finds (1) that the claim arose during the course of his normal employment and within the scope of his employment in a matter in which the Agency had an interest; (2) the employee was acting in discharge of a duty imposed or authorized by law, and (3) the employee acted in good faith and without malice.

(b) In the event the Agency assumes the duty of defense and in the event a court determines that the employee acted in bad faith or with malice or in a wanton or willful manner so as to cause the claim, or was not acting in a bona fide discharge of his or her municipal duties, the employee shall reimburse the Agency for all expenses incurred for defense of claims arising out of the alleged civil action or civil proceeding. Upon such finding by a court, the Agency shall have no duty to satisfy any judgment or claim against the employee, and in the event the Agency has satisfied or is ordered to satisfy said judgment or claim, the employee must reimburse the Agency for any sum paid for the said satisfaction.

415. SEVERABILITY. If any provisions of this Article 400 or the application thereof to any person or circumstance be held unconstitutional or invalid in whole or in part by any court, such holding of unconstitutionality or invalidity shall in no way affect or impair any other provision of this Article 400, or the application of any such provision to any other person or circumstance.

Article 500 – MEETINGS

501. ANNUAL MEETINGS. The annual meeting of the Agency shall be held on the regular meeting day in the month of February of each year at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701 or at a meeting place designated by the Agency. If the Agency shall fail to hold an annual meeting in any year the ~~officers~~Board Officers shall continue in office until their successors shall be chosen and all proceedings of the Agency shall be regular and valid.

502. REGULAR MEETINGS. Regular meetings of the Agency may be held with such notice as required by law at such times and places as from time to time may be determined by resolution of the Agency.

503. SPECIAL MEETINGS. The Chairman of the Agency may, when the Chairman deems it desirable, and shall, upon the written request of two ~~members~~Members of the Board of the Agency, call a special meeting of the Agency for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each ~~member~~Member of the Board of the Agency or may be mailed to the business or home address of each ~~member~~Member of the Board of the Agency on such notice as required by law. Waivers of notice may be signed by any ~~members~~Board Members failing to receive a proper notice. At such special meeting no business shall be considered other than as designated in the call, but if all ~~the members~~Board Members of the Agency are present at a special meeting, with or without notice thereof, any and all business may be transacted at such special meeting.

504. QUORUM. At all meetings of the Agency, a majority of the ~~members~~Members of the Board of the Agency shall constitute a quorum for the purpose of transacting business provided that a smaller number may meet and adjourn to some other time or until the quorum is obtained.

505. ORDER OF BUSINESS. At the regular meetings of the Agency the following shall be the order of business.

(a) Roll call.

(b) Reading and approval of the minutes of the previous meeting.

(c) Bills and communications.

(d) Reports of the Treasurer.

(e) Report of the Committees ~~or Administrative Director and staff.~~
and/or Chief Executive Officer and/or Staff.

(f) Old business.

(g) New business.

(h) Adjournment.

All resolutions shall be reduced to written form and incorporated in the minutes of the meetings of the Agency.

The voting on all questions coming before the Agency may be by show of hands or calling for the ayes and nays unless a ~~member~~Board Member shall request a roll call vote. In any event, the ayes and nays shall be recorded in the minutes of such meeting. Appointments may be voted upon by ballot. The affirmative vote of a majority of the ~~members~~Members of the Board of the Agency shall be the act of the Agency.

Article 600 – COMMITTEES

601. STANDING COMMITTEES. The Agency shall have the following standing committees:

(a) Audit~~and Finance~~ Committee. There shall be an Audit ~~and Finance~~ Committee consisting of at least three Independent Board Members,~~as defined in Section 206 above,~~ who shall be elected by a majority of the Members of the Board of the Agency at each annual meeting of the Agency and shall serve until the next annual meeting. To the extent practicable, members of the ~~Audit and Finance Committee~~ should be familiar with corporate financial and accounting practices. The ~~Audit and Finance~~ Committee shall oversee the accounting and financial reporting processes of the Agency and the audit of the Agency's financial statements. ~~The Audit and Finance Committee shall also have the responsibility to review proposals for the issuance of debt by the Agency and make recommendations. The Audit and Finance Committee shall provide regular oversight of the financial operation and budgets of the Agency, and shall report to the Board of the Agency.~~

(b) Governance Committee. There shall be a Governance Committee consisting of at least three Independent Board Members,~~as defined in Section 206 above,~~ who shall be elected by a majority of the Members of the Board of the Agency at each annual meeting of the Agency and shall serve until the next annual meeting. The Governance Committee shall keep the Board informed of current best governance practices, review corporate governance trends, update the Agency's corporate governance principles, and advise the appointing authority on the skills and experience required of potential Agency Members.

(c) Finance Committee. There shall be a Finance Committee consisting of at least three Board Members who shall be elected by a majority of the Members of the Board of the Agency at each annual meeting of the Agency and shall serve until the next annual meeting. The Finance Committee shall have the responsibility to review proposals for the issuance of debt by the Agency and make recommendations.

602. SPECIAL COMMITTEES. The Board of the Agency, by resolution adopted by a majority of the Members of the Board, may create Special Committees, which shall have only the powers specifically delegated to them.

Article 700 – AMENDMENTS AND REPEAL

701. AMENDMENTS TO BY-LAWS. The By-Laws of the Agency shall be amended only with the approval of at least a majority of all the ~~members~~Members of the Board of the Agency at a regular or special meeting, but no such amendment shall be adopted unless at least seven (7) days written notice thereof has been previously given to all ~~members~~Members of the Board of the Agency. The notice by this section cannot be waived.

702. EFFECT OF AMENDMENTS. The By-Laws heretofore in effect are hereby repealed and these By-Laws are intended to replace in their entirety such By-Laws as were heretofore in effect.

Nothing contained herein is intended to affect the validity of any action taken by the Agency pursuant to By-Laws heretofore in effect.

Approved and adopted this _____

Document comparison by Workshare Compare on Thursday, August 22, 2019
11:55:29 AM

Input:	
Document 1 ID	netdocuments://4826-3177-1037/2
Description	IDA By-Laws
Document 2 ID	netdocuments://4826-3177-1037/3
Description	IDA By-Laws
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	43
Deletions	44
Moved from	4
Moved to	4
Style change	0
Format changed	0
Total changes	95

Article 100 – THE AGENCY

101. NAME. The name of the Agency shall be “County of Sullivan Industrial Development Agency” (hereinafter referred to as the “Agency”).

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Article 200 – BOARD MEMBERS

201. COMPOSITION. In accordance with Section 906 of the General Municipal Law, the Agency shall have nine (9) board members appointed by the governing body of the County of Sullivan.

Article 300 — OFFICERS

301. BOARD OFFICERS. The Board officers of the Agency shall be a Chairman, one or more Vice Chairmen, a Secretary, and a Treasurer. There may be an Assistant Secretary and an Assistant Treasurer. Each of the foregoing offices shall be held by a Member of the Board of the Agency and except for the offices of Chairman and Vice Chairman, and Chairman and Secretary; one person may hold more than one office.

302. CHAIRMAN. The Chairman shall preside at all meetings of the Agency. Except as otherwise authorized by resolution of the Agency, the Chairman shall sign all agreements, contracts, deeds, bonds, mortgages, and other instruments of indebtedness, and any other instrument of indebtedness. At each meeting the Chairman shall submit such recommendations and information as the Chairman may consider proper concerning the business, affairs and policies of the Agency.

303. VICE CHAIRMAN. A Vice Chairman shall perform the duties of the Chairman in the absence or incapacity of the Chairman; in case of the resignation or death of the Chairman, a Vice Chairman shall perform such duties as are imposed on the Chairman until such time as the Agency shall appoint a successor Chairman.

304. SECRETARY. The Secretary shall keep the records of the Agency, shall act as Secretary of the meetings of the Agency and record all votes and shall keep a record of the proceedings of the Agency in a journal of proceedings to be kept for such purpose and shall perform all duties incident to the office. The Secretary shall keep in safe custody the seal of the Agency and shall have power to affix such seal to all contracts and other instruments authorized to be executed by the Agency.

305. ASSISTANT SECRETARY. The Assistant Secretary shall perform the duties of the Secretary in the absence or incapacity of the Secretary; in case of the resignation or death of the Secretary the Assistant Secretary shall perform such duties as are imposed on the Secretary until such time as the Agency shall appoint a successor Secretary.

306. TREASURER. The Treasurer shall have the care and custody of all funds of the Agency and shall deposit the same in the name of the Agency in such bank or banks as the Agency may select. Unless otherwise provided by resolution, the Treasurer shall sign all orders and all checks for the payment of money; and shall pay out and disburse such moneys under the direction of Agency. If authorized, by resolution, the Chairman and, in the event of the absence or incapacity of the Chairman, a Vice Chairman, shall sign all orders and checks prepared by the Treasurer. The Treasurer shall keep regular books of account showing receipts and expenditures, and shall render to the Agency at regular intervals an account of all transactions and also of the financial condition of the Agency.

307. ASSISTANT TREASURER. The Assistant Treasurer shall perform the duties of the Treasurer in the absence or incapacity of the Treasurer; in case of the resignation or death of the Treasurer, the Assistant Treasurer shall perform such duties as are imposed on the Treasurer until such time as the Agency shall appoint a successor Treasurer.

309. APPOINTMENT OF BOARD OFFICERS. The Chairman, Vice Chairmen, Secretary, Treasurer and any Assistant Secretary and/or Assistant Treasurer of the Agency except the first Chairman shall be appointed at the annual meeting of the Agency from among the Members of the Board of the Agency, and shall hold office for one year or until their successors are appointed.

310. BOARD OFFICER VACANCIES. In the event that the office of Chairman, Vice Chairman, Secretary, Treasurer and any Assistant Secretary and/or Assistant Treasurer shall become vacant, the Agency shall appoint a successor from among its membership at the next regular meeting, and such appointment shall be for the unexpired term of said office.

311. CORPORATE OFFICERS. The corporate officers of the Agency ("Corporate Officers") shall be a Chief Executive Officer, a Chief Financial Officer, a Chief Operating Officer and an Executive Director. The appointment, compensation, terms and conditions of such corporate offices shall be determined by the Board in accordance with these By-Laws and subject to the laws of the State of New York.

312. CHIEF EXECUTIVE OFFICER. The Agency shall appoint a Chief Executive Officer who shall be charged with the management of all projects of the Agency.

313. CHIEF FINANCIAL OFFICER. The Agency may appoint a Chief Financial Officer who shall be charged with the management of the Agency's financial business and activities, subject to the direction of the Chief Executive Officer and the Board.

314. CHIEF OPERATING OFFICER. The Agency may appoint a Chief Operating Officer who shall be charged with the management of the Agency's day to day business activities, subject to the direction of the Chief Executive Officer and the Board.

315. EXECUTIVE DIRECTOR. The Agency may appoint an Executive Director who shall have general supervision over the administration of the business and affairs of the Agency, subject to the direction of the Chief Executive Officer and the Board.

316. ADDITIONAL DUTIES. The officers of the Agency shall perform such other duties and functions as may from time to time be required by the Agency by the By-Laws of the Agency, or by the rules and regulations of the Agency. Officers authorized to sign orders and checks shall give such bond for the faithful performance of the duties of such office as the Agency may determine.

317. ADDITIONAL PERSONNEL. The Agency may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the New York State Industrial Development Act, as amended, and all other laws of the State of New York applicable thereto. The selection and compensation of all personnel shall be determined by the Agency subject to the laws of the State of New York.

Article 400 – INDEMNIFICATION

401. INDEMNIFICATION. The New York State Legislature has enacted legislation permitting public entities, including industrial development agencies, to provide for the defense and indemnification of officers and employees of those agencies. This Article 400 implements that concept and the statutory intent set forth in Article 2, Section 18 of the Public officers Law of the State of New York.

402. DEFINITION OF EMPLOYEE. The term “employee” for purposes of this Article 400 shall mean any commissioner, member of a public board or commission, trustee, director, officer, employee, volunteer expressly authorized to participate in a publicly sponsored volunteer program, or any other person holding a position by election, appointment or employment in the service of the Agency whether or not compensated. The term “employee” shall include a former employee, his estate or judicially appointed personal representative.

403. DEFENSE.

(a) Upon compliance by the employee with the provisions of Section 405 hereof, the Agency shall provide for the defense and indemnification of the employee in any civil action or proceeding, state or federal, arising out of any alleged act or omission which occurred or allegedly occurred while the employee was acting during the course of his employment and within the scope of his public employment or duties. This duty to provide for a defense and indemnification shall not arise where such civil action or proceeding is brought by, or at the behest of the Agency;

(b) Subject to the conditions set forth in this Article 400, the employee shall be represented by Counsel to the Agency or an attorney employed or retained by the Agency for the defense of the employee. The Agency shall employ or retain an attorney for the defense of the employee whenever (1) the Agency does not have Agency Counsel, (2) the Agency determines, based upon its investigation and review of the facts and circumstances of the case, that representation by the Agency Counsel would be inappropriate, or (3) a court of competent jurisdiction determines that

a conflict of interest exists and that the employee cannot be represented by Agency Counsel. Reasonable attorneys' fees and litigation expenses shall be paid by the Agency to such attorney employed or retained, from time to time, during pendency of the civil action or proceeding, subject to certification by the Chairman that the employee is entitled to representation under the terms and conditions hereof. Payment of such fees and expenses shall be made in the same manner as payment of other claims and expenses of the Agency. Any dispute with respect to representation of multiple employees by Agency Counsel or by an attorney employed or retained for such purposes, or with respect to the amount of the fees or expenses shall be resolved by the court upon motion or by way of a special proceeding; and

(c) Where the employee delivers process and a written request for a defense to the Agency, under Section 405 hereof, the Agency, shall take the necessary steps on behalf of the employee to avoid entry of a default judgment pending resolution of any question pertaining to the obligation to provide for a defense.

404. DEFENSE AND INDEMNIFICATION.

(a) The Agency, shall indemnify and save harmless its employees in the amount of any judgment obtained against such employees in a state or federal court, or in the amount of any settlement of a claim, provided that the act or omission from which such judgment or claim arose occurred while the employee was acting during the course of his employment and within the scope of his public employment or duties; provided further that in the case of a settlement, the duty to indemnify and save harmless shall be conditioned upon the approval of the amount of settlement by the members of the Board of the Agency, or its insurance company. This obligation by the Agency to indemnity shall not apply to any claims against officers and employees of the Agency, currently outstanding, or reduced to judgment, or settlement;

(b) Except as otherwise provided by law, this duty to indemnify and save harmless prescribed by this section shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the employee;

(c) Nothing in this section shall authorize the Agency to defend, indemnify or save harmless an employee with respect to any claims filed, or money recovered from an employee pursuant to Section 51 of the General Municipal Law or for any claims alleging intentional wrongdoing or a reckless act; and

(d) Upon entry of a final judgment against the employee, or upon the settlement of the claim, the employee shall serve a copy of such judgment or settlement, personally or by certified or registered mail within five (5) days of the date of entry or settlement, upon the Chairman of the Agency and Agency Counsel, and if not inconsistent with the provisions of this resolution, the amount of such judgment or settlement shall be paid by the Agency.

405. DUTY TO NOTIFY. The duty to defend or indemnify and save harmless prescribed herein shall be conditioned upon:

(a) Delivery by the employee to Agency Counsel and to the Chairman of the Agency a written request to provide for his defense, together with the original or a copy of any summons, complaint, process, notice, demand or pleading within five (5) days after he is served with such document, and

(b) The full cooperation of this employee in the defense of such action or proceeding and in defense of any action or proceeding against the Agency based upon the same act or omission, and in the prosecution of any appeal.

406. OTHER RIGHTS. The benefits conferred in this Article 400 shall inure only to employees as deemed herein and shall not enlarge or diminish the rights of any other party nor shall any provision of this Article 400 be construed to affect, alter or repeal any provision of the Worker's Compensation Law.

407. NOTICE. This Article 400 shall not in any way affect the obligation of any claimant to give notice to the Agency under Section Ten of the Court of Claims Act, Section 50 (e) of the General Municipal Law, or any other provisions of law.

408. INSURANCE. The Agency is hereby authorized and empowered to purchase insurance from any insurance company created by, or under, the laws of the State of New York, or authorized by law to transact business in this state, against any liability imposed by the provisions of this Article 400 or to act as a self-insurer with respect thereto.

409. PAYMENTS. All payments made under the terms of this Article 400, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.

410. INSURER RIGHTS. The provisions of this Article 400 shall not, be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.

411. IMMUNITY. Except as otherwise specifically provided in this Article 400, the provisions of this Article 400 shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity to liability available to, or conferred upon, any unit, entity officer or employee of the Agency, by, in accordance with, or by reason of, any other provision of state or federal statutory or common law.

412. OTHER ENACTMENTS. Except as otherwise provided in this Article 400, benefits accorded to employees under this Article 400 shall supplement, and be available in addition to, defense or indemnification protection conferred by any other enactment of the Agency, or common law. Notwithstanding anything contained herein to the contrary, the Agency shall be entitled to contribution and/or indemnification by the employee and/or other agency in the event that such other agency is also obligated to provide a defense for the employee and/or pay any sums of monies by way of indemnification and/or judgment or award.

413. APPLICABILITY. The provisions of this Article 400 shall apply to all actions or proceedings specified herein which have been commenced, instituted or brought on or after the adoption of these By-laws.

414. NO DUTY TO DEFEND AND/OR INDEMNIFY.

(a) Notwithstanding anything to the contrary contained herein there shall be no duty of the Agency to defend or indemnify any employee unless the members of the Board finds (1) that the claim arose during the course of his normal employment and within the scope of his employment in a matter in which the Agency had an interest; (2) the employee was acting in discharge of a duty imposed or authorized by law, and (3) the employee acted in good faith and without malice.

(b) In the event the Agency assumes the duty of defense and in the event a court determines that the employee acted in bad faith or with malice or in a wanton or willful manner so as to cause the claim, or was not acting in a bona fide discharge of his or her municipal duties, the employee shall reimburse the Agency for all expenses incurred for defense of claims arising out of the alleged civil action or civil proceeding. Upon such finding by a court, the Agency shall have no duty to satisfy any judgment or claim against the employee, and in the event the Agency has satisfied or is ordered to satisfy said judgment or claim, the employee must reimburse the Agency for any sum paid for the said satisfaction.

415. SEVERABILITY. If any provisions of this Article 400 or the application thereof to any person or circumstance be held unconstitutional or invalid in whole or in part by any court, such holding of unconstitutionality or invalidity shall in no way affect or impair any other provision of this Article 400, or the application of any such provision to any other person or circumstance.

Article 500 – MEETINGS

501. ANNUAL MEETINGS. The annual meeting of the Agency shall be held on the regular meeting day in the month of February of each year at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701 or at a meeting place designated by the Agency. If the Agency shall fail to hold an annual meeting in any year the Board Officers shall continue in office until their successors shall be chosen and all proceedings of the Agency shall be regular and valid.

502. REGULAR MEETINGS. Regular meetings of the Agency may be held with such notice as required by law at such times and places as from time to time may be determined by resolution of the Agency.

503. SPECIAL MEETINGS. The Chairman of the Agency may, when the Chairman deems it desirable, and shall, upon the written request of two Members of the Board of the Agency, call a special meeting of the Agency for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each Member of the Board of the Agency or may be mailed to the business or home address of each Member of the Board of the Agency on such notice as required by law. Waivers of notice may be signed by any Board Members failing to receive a proper notice. At such special meeting no business shall be considered other than as designated in the call, but if all Board Members of the Agency are

present at a special meeting, with or without notice thereof, any and all business may be transacted at such special meeting.

504. QUORUM. At all meetings of the Agency, a majority of the Members of the Board of the Agency shall constitute a quorum for the purpose of transacting business provided that a smaller number may meet and adjourn to some other time or until the quorum is obtained.

505. ORDER OF BUSINESS. At the regular meetings of the Agency the following shall be the order of business.

- (a) Roll call.
- (b) Reading and approval of the minutes of the previous meeting.
- (c) Bills and communications.
- (d) Reports of the Treasurer.
- (e) Report of the Committees and/or Chief Executive Officer and/or Staff.
- (f) Old business.
- (g) New business.
- (h) Adjournment.

All resolutions shall be reduced to written form and incorporated in the minutes of the meetings of the Agency.

The voting on all questions coming before the Agency may be by show of hands or calling for the ayes and nays unless a Board Member shall request a roll call vote. In any event, the ayes and nays shall be recorded in the minutes of such meeting. Appointments may be voted upon by ballot. The affirmative vote of a majority of the Members of the Board of the Agency shall be the act of the Agency.

Article 600 – COMMITTEES

601. **STANDING COMMITTEES.** The Agency shall have the following standing committees:

(a) Audit Committee. There shall be an Audit Committee consisting of at least three Board Members who shall be elected by a majority of the Members of the Board of the Agency at each annual meeting of the Agency and shall serve until the next annual meeting. To the extent practicable, members of the Audit should be familiar with corporate financial and accounting practices. The Audit Committee shall oversee the accounting and financial reporting processes of the Agency and the audit of the Agency's financial statements.

(b) Governance Committee. There shall be a Governance Committee consisting of at least three Board Members who shall be elected by a majority of the Members of the Board of the Agency at each annual meeting of the Agency and shall serve until the next annual meeting. The Governance Committee shall keep the Board informed of current best governance practices, review corporate governance trends, update the Agency's corporate governance principles, and advise the appointing authority on the skills and experience required of potential Agency Members.

(c) Finance Committee. There shall be a Finance Committee consisting of at least three Board Members who shall be elected by a majority of the Members of the Board of the Agency at each annual meeting of the Agency and shall serve until the next annual meeting. The Finance Committee shall have the responsibility to review proposals for the issuance of debt by the Agency and make recommendations.

602. **SPECIAL COMMITTEES.** The Board of the Agency, by resolution adopted by a majority of the Members of the Board, may create Special Committees, which shall have only the powers specifically delegated to them.

Article 700 – AMENDMENTS AND REPEAL

701. **AMENDMENTS TO BY-LAWS.** The By-Laws of the Agency shall be amended only with the approval of at least a majority of all the Members of the Board of the Agency at a regular or special meeting, but no such amendment shall be adopted unless at least seven (7) days written notice thereof has been previously given to all Members of the Board of the Agency. The notice by this section cannot be waived.

702. **EFFECT OF AMENDMENTS.** The By-Laws heretofore in effect are hereby repealed and these By-Laws are intended to replace in their entirety such By-Laws as were heretofore in effect. Nothing contained herein is intended to affect the validity of any action taken by the Agency pursuant to By-Laws heretofore in effect.

Approved and adopted this _____

County of Sullivan Industrial Development Agency DRAFT 2020 Budget - Revenues					
	2018 Actual	2019 Budget	Current 9/1/19	Estimated Final 2019	2020 Budget
ANNUAL LEASE PAYMENTS (Annual Agency Fees)					
457 Equities Monticello Corp.	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00
Addenbrooke, LLC	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00
Adelaar Developer, LLC (Waterpark)	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
Amytra Development, LLC.	4,000.00	8,000.00	8,000.00	8,000.00	8,000.00
Be Neet LLC & Jeff Sanitation Inc.	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00
Beaverkill Studio/ RJ Baker	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Bethel Performing Arts Center, LLC	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
BRR Brothers III, LLC	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Canopy Liberty, LLC	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
Catskill Distilling Company, Ltd.	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
Catskill Hospitality Holding, LLC.	2,500.00	7,500.00	6,000.00	6,000.00	7,500.00
Center for Discovery, Inc.	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Center One Holdings LLC	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
DC Fabrication & Welding, Inc.	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Deb El Foods	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Doetsch Family II, LLC. (Seminary Hill)	2,070.83	3,550.00	3,550.00	3,550.00	3,550.00
Ella Ruffo, LLC	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
EPR Concord II LP (Infrastructure)	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
ERREI, LLC (Golf)	10,000.00	10,000.00	25,000.00	25,000.00	25,000.00
ERREIL, LLC. (EV Hotel)	16,666.67	20,000.00	50,000.00	50,000.00	50,000.00
Forestburgh Property, LLC.	0.00	0.00	2,750.00	2,750.00	2,750.00
Four Goats LLC	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00
GA HC REIT II 61 Emerald NY MOB	9,167.00	0.00	0.00	0.00	0.00
Hudsut LLC & HVFG LLC	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00
Ideal Snacks Corporation	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00
Jam Two/International Contractors Corp.	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Kohl's New York DC, Inc.	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Loughlin & Billig, P.C.	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Madasa Realty, LLC	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00
Metallized Carbon Corporation	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Mogenavland, LLC (Bethel)	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
Mogenavland, LLC (Tusten)	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
Montreign Operating Company (Casino)	166,250.00	166,250.00	166,250.00	166,250.00	166,250.00
Mountain Candy & Cigar Co., Inc.	5,250.00	0.00	0.00	0.00	0.00
Mountain Pacific Realty, LLC	5,250.00	0.00	0.00	0.00	0.00
Nonni's Acquisition Co., Inc.	4,500.00	4,500.00	4,500.00	4,500.00	4,500.00
Norman & Steven L. Kaufman	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Peck's Market, Inc.	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Pestech Exterminating, Inc.	750.00	750.00	750.00	750.00	750.00
Poley Paving Corporation	1,250.00	1,250.00	1,250.00	1,250.00	0.00
RHH Land, LLC	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
Rock Meadow Partners	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Rolling V Bus Corp.	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
SCCC Dormitory Corporation	3,250.00	3,250.00	3,250.00	3,250.00	3,250.00
SPT Ivey 61 Emerald MOB	0.00	9,167.00	9,167.00	9,167.00	9,167.00
Sullivan Property Acquisitions I, LLC	12,000.00	0.00	6,000.00	6,000.00	6,000.00
Sullivan Resorts, LLC	0.00	0.00	5,500.00	5,500.00	6,000.00
Theowins, LLC (et al)	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Turtlehead Enterprises, LLC	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Veria Lifestyle Inc. (Infrastructure)	8,750.00	8,750.00	8,750.00	8,750.00	8,750.00
Veria Wellness Center	43,750.00	43,750.00	43,750.00	43,750.00	43,750.00
Veteran NY 55 Sturgis LLC	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Villa Roma Resort	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
West Delaware Hydro	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
Woodridge Family Restaurant	1,500.00	1,500.00	0.00	1,500.00	1,500.00
Yasgur Road Productions	0.00	0.00	1,666.67	1,666.67	2,500.00
Total Annual Agency Fees	\$ 471,954.50	\$ 463,267.00	\$ 521,183.67	\$ 522,683.67	\$ 524,267.00
Anticipated New Agency Fees	0.00	5,000.00	0.00	0.00	5,000.00
TOTAL AGENCY FEES	\$ 471,954.50	\$ 468,267.00	\$ 521,183.67	\$ 522,683.67	\$ 529,267.00
AgriBusiness Loan and Lease Fund					
Equipment Lease	59,900.68	0.00	62,525.66	93,863.68	123,774.06
TOTAL	59,900.68	0.00	62,525.66	93,863.68	123,774.06
MISCELLANEOUS					
Interest Income - Loans	14,038.33	8,500.00	6,944.77	8,500.00	8,500.00
Interest Income - Bank & CD	9,517.51	6,300.00	5,174.83	9,500.00	9,500.00
Reimbursement from SCFC	40,000.00	40,000.00	20,000.00	40,000.00	40,000.00
Reimbursement from TSCILDC	12,000.00	12,000.00	0.00	12,000.00	12,000.00
Project Fees (One Time)	923,877.80	474,495.00	239,045.47	408,674.49	77,625.00
Application Fees	2,500.00	2,000.00	2,000.00	3,000.00	2,000.00
Late Fee & Misc.	715.38	500.00	610.95	500.00	500.00
TOTAL	1,002,649.02	543,795.00	273,776.02	482,174.49	150,125.00
TOTAL REVENUES	\$1,534,504.20	\$1,012,062.00	\$857,485.35	\$1,098,721.84	\$803,166.06

County of Sullivan Industrial Development Agency

DRAFT 2020 Budget- Expenses

	2018 Actual	2019 Budget	Current 9/1/19	Estim. 2019 Final	2020 Budget
PROFESSIONAL SERVICES					
Accounting	9,200.00	9,200.00	9,200.00	9,200.00	9,200.00
CEO Consulting	69,574.96	70,000.00	0.00	0.00	0.00
General Consulting	20,931.68	5,000.00	10,496.79	15,000.00	10,000.00
Legal	11,745.00	60,000.00	5,120.00	60,000.00	60,000.00
TOTAL	\$111,451.64	\$144,200.00	\$24,816.79	\$84,200.00	\$79,200.00
SALARY & BENEFITS					
Executive Director	75,000.12	75,000.00	46,153.92	75,000.00	75,000.00
Chief Executive Officer	52,000.00	55,000.00	32,000.00	52,000.00	52,000.00
Project Manager	51,003.04	51,000.00	31,384.64	51,000.00	51,000.00
Administrative Assistant	15,217.50	31,200.00	11,445.00	22,785.00	37,440.00
Food Hub Director	35,469.50	0.00	0.00	0.00	0.00
Health Insurance	11,916.29	20,000.00	6,125.27	12,250.00	20,000.00
Payroll Expenses	23,606.39	26,500.00	12,380.73	20,405.00	26,500.00
TOTAL	\$264,212.84	\$258,700.00	\$139,489.56	\$233,440.00	\$261,940.00
DUES & SUBSCRIPTIONS					
Credit Reports	0.00	250.00	0.00	250.00	250.00
Economic Dev. Council Dues	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00
Subscriptions	1,909.03	1,300.00	1,752.39	2,000.00	2,000.00
TOTAL	\$3,159.03	\$2,800.00	\$3,002.39	\$3,500.00	\$3,500.00
PROMOTION					
Advertising	0.00	500.00	0.00	0.00	500.00
Partnership for Economic Dev.	75,000.00	75,000.00	37,500.00	75,000.00	75,000.00
Pattern for Progress	5,000.00	5,000.00	0.00	5,000.00	5,000.00
TOTAL	\$80,000.00	\$80,500.00	\$37,500.00	\$80,000.00	\$80,500.00
OTHER EXPENSES					
Rent	31,382.23	32,000.00	21,600.00	32,400.00	32,400.00
Telephone/Fax/Computer	2,438.05	2,700.00	1,719.61	2,700.00	2,700.00
Office Supplies and Misc. Expense	16,011.24	5,000.00	5,318.31	8,500.00	8,500.00
Travel Expenses	2,600.67	3,500.00	1,170.86	2,500.00	2,500.00
Insurance (IDA)	12,620.72	16,000.00	6,133.55	12,500.00	12,500.00
Postage	1,731.27	1,800.00	1,190.55	1,800.00	1,800.00
Repairs & Maintenance	0.00	250.00	0.00	0.00	250.00
Equipment Purchase	0.00	1,000.00	0.00	0.00	1,000.00
Conferences, Seminars, Workshops	685.88	2,000.00	30.00	1,000.00	2,000.00
Storage	1,980.00	1,980.00	0.00	1,980.00	1,980.00
Expense Reserve	0.00	3,000.00	0.00	3,000.00	3,000.00
TOTAL	\$69,450.06	\$69,230.00	\$37,162.88	\$66,380.00	\$68,630.00
Food Hub Expenses	25,011.98	0.00	5,008.28	5,008.28	0.00
TOTAL	\$25,011.98	\$0.00	\$5,008.28	\$5,008.28	\$0.00
TOTAL EXPENSES	\$553,285.55	\$555,430.00	\$246,979.90	\$472,528.28	\$493,770.00

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY
BUDGET & FINANCIAL PLAN-- PARIS FORMAT
FY END 12/31/20

BUDGETED REVENUES, EXPENDITURES, AND CHANGES IN CURRENT NET ASSETS

	Last Year (Actual) 2018	Current Year (Estimated) 2019	Next Year (Adopted) 2020	Proposed 2021	Proposed 2022	Proposed 2023
<u>REVENUE & FINANCIAL SOURCES</u>						
Operating Revenues						
Charges for services	\$1,458,232.98	\$1,028,221.84	\$732,666.06	\$700,000.00	\$700,000.00	\$700,000.00
Rental & financing income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other operating revenues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Nonoperating Revenues						
Investment earnings	\$23,555.84	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00	\$18,000.00
State subsidies/grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Federal subsidies/grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Municipal subsidies/grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Public authority subsidies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other nonoperating revenues	\$52,715.38	\$52,500.00	\$52,500.00	\$52,500.00	\$52,500.00	\$52,500.00
Proceeds from the issuance of debt	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Revenues & Financing Sources	\$1,534,504.20	\$1,098,721.84	\$803,166.06	\$770,500.00	\$770,500.00	\$770,500.00
<u>EXPENDITURES</u>						
Operating Expenditures						
Salaries and wages	\$228,690.16	\$200,785.00	\$215,440.00	\$220,000.00	\$220,000.00	\$220,000.00
Other employee benefits	\$35,522.68	\$32,655.00	\$46,500.00	\$46,500.00	\$46,500.00	\$46,500.00
Professional services contracts	\$111,451.64	\$84,200.00	\$79,200.00	\$100,000.00	\$100,000.00	\$100,000.00
Supplies and materials	\$17,742.51	\$10,300.00	\$11,550.00	\$15,000.00	\$15,000.00	\$15,000.00
Other operating expenditures	\$134,866.58	\$139,580.00	\$141,080.00	\$145,000.00	\$145,000.00	\$145,000.00
Nonoperating Expenditures						
Payment of principal on bonds and financing arrangements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest and other financing charges	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subsidies to other public authorities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Capital asset outlay	\$25,011.98	\$5,008.28	\$0.00	\$0.00	\$0.00	\$0.00
Grants and donations	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other nonoperating expenditures	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Expenditures	\$553,285.55	\$472,528.28	\$493,770.00	\$526,500.00	\$526,500.00	\$526,500.00
Capital Contributions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Excess (deficiency) of revenues and capital contributions over expenditures	\$981,218.65	\$626,193.56	\$309,396.06	\$244,000.00	\$244,000.00	\$244,000.00

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

UNIFORM TAX EXEMPT POLICY

ARTICLE 100 – DEFINITIONS

Unless the context requires a different meaning, the following terms shall have these definitions:

101. “Agency” shall mean the County of Sullivan Industrial Development Agency.
102. “Bond” shall mean the bonds, notes, interim certificates and other obligations issued by the Agency pursuant to the GML of the State of New York entitling such project to be exempt from taxation according to the provisions of GML Section 874.
103. “County” shall mean the County of Sullivan.
104. “State” shall mean the State of New York.
105. “Affected taxing jurisdiction” shall mean any municipality or school district, in which a project is located, which will fail to receive full real property tax payments or other tax payments which would otherwise be due, except for the tax exempt status of the Agency involved in the project.
106. “Financial Assistance” shall mean the proceeds of bonds issued by the Agency, straight leases, or exemption from taxation claimed by a project occupant as result of the Agency taking title, possession or control (by lease, license or otherwise) to the property or equipment of such project occupant acting as agent of the Agency.
107. “Tax Exemption” shall mean the financial assistance granted to a project which is based upon all or a portion of the taxes which would be levied and assessed against the project but for the involvement of the Agency.
108. “PILOT” shall mean any payment made to the Agency, or an affected tax jurisdiction equal to the amount, or a portion of, the real property taxes, or other taxes, which would have been levied by or on behalf of an affected tax jurisdiction if the project was not exempt because of Agency involvement. A PILOT payment shall not include payments on account of the “Buy-back fee.”
109. “Straight Lease” shall mean a transaction in which the Agency takes title, possession or control (by lease, license, or otherwise) to the property or the equipment of a project occupant, entitling such property or equipment to be exempt from taxation according to the provisions of GML§874, and no financial assistance in the form of proceeds of bonds issued by the Agency is provided to the project occupant.
110. “GML” shall mean the General Municipal Law of the State of New York.

111. “Project Occupant” shall mean a person under contract with the Agency who is receiving financial assistance as provided by law. The term project occupant shall include project developer, project tenant or any other similarly situated person.

ARTICLE 200 – TAX POLICIES AND PROCEDURES

201. Chapters 356 and 357 of the New York State laws of 1993, and Section 874 of the New York State General Municipal Law amended in 1997, require that the Agency adopt Uniform Tax Exemption Policies. This policy shall apply to the granting of a tax exemption for real estate, sales and mortgage taxes, the requirements for the payment in lieu of taxes and policies which may be carried out to modify such policies.

202. The general policy of the County of Sullivan Industrial Development Agency is to grant applicants real property tax abatements and exemptions from sales, use and mortgage recording taxes as described below. The Agency may grant enhanced benefits on a case by case basis for a project expected to have a significant economic impact on the County of Sullivan as determined by the Agency’s Board.

203. Considered factors: In approving a project and granting tax exemption, the Agency shall consider:

- a. Permanent private sector job creation and retention, and business retention. The Agency will consider the number of permanent jobs created or retained in the private sector and also business retention when it considers approval of a project.
- b. Estimated value of the tax exemption. The Agency will consider the value of all the tax exemptions when it considers approval of a project.
- c. Whether the affected tax jurisdiction shall be reimbursed by project occupant if the project does not fulfill the purposes for which exemption was granted. The Agency will consider the recapture of tax exemptions granted in appropriate cases. The Agency will require reduction or revocation of any tax exemption granted or increase in or cancellation of any PILOT payment where the use of a project is substantially changed or abandoned or agreed upon goals are not satisfied because of the fault of the project occupant.
- d. Impact of project on existing and proposed business or economic development projects. The Agency will consider the needs of the community and the impact on existing and proposed businesses or economic development projects when it considers approval of a project for the particular area where the project is located.
- e. The amount of private sector investment generated or likely to be generated by the proposed project. The Agency will consider and favor projects which are likely to generate substantial private investment in the project and in related businesses in the area where the project is located.

f. Demonstrated public support for the proposed project. The Agency will consider the needs of the community and the demonstrated support for the proposed project by the public, government agencies and private organizations when it considers approval of a project. The Agency will accommodate in its consideration of an application for financial assistance those industries that apply for financial assistance and desire to locate in areas which are evidenced by high unemployment, high commercial real estate vacancies or other adverse economic conditions, or are industries which fulfill a need of such community or location.

g. Likelihood of accomplishing the proposed project in timely fashion. The Agency will consider the capital available to a project occupant and the ability of the project occupant to complete the project in a timely fashion.

h. Environmental impact. The Agency shall comply with all applicable laws related to determining the impact of a proposed project on the environment.

i. Extent to which the proposed project will require additional services including but not limited to educational, police, transportation, EMS, and fire. The Agency will consider the impact of the project on community services and may require payment of other taxes, fees and charges where a project will require such additional services arising from such project.

j. Extent to which proposed project will provide additional revenues. The Agency shall consider the size of the project and the revenues otherwise paid to the Agency or any other agency or organization.

k. A Cost Benefit Analysis. To be submitted by the applicant, the Agency shall consider an overall analysis of the costs and benefits of the proposed project as it affects the effected taxing jurisdictions.

204. Application for financial assistance from the Agency shall be made on applications supplied by the Agency and shall contain such information as may be requested. The applicant shall describe the proposed project and type of assistance sought. Agency assistance can take the form of real property tax abatement through either the issuance by the Agency of Tax Exempt Bonds and through a Straight Lease Agreement, Sales and Use Tax Exemption, and/or Mortgage Tax Exemption. Most of the policies herein stated are deemed to be guidelines and not rules of law. The intent of any Agency assistance is to promote economic development and growth of the Sullivan County economy.

ARTICLE 300 – REAL PROPERTY TAX EXEMPTION POLICY AND PAYMENT IN LIEU OF TAXES

301. The Agency maintains this policy for the provision of real property tax abatements for qualified projects. Only facilities that qualify as a “project,” as defined in the New York State Industrial Development Agency Act, may be approved by the Agency. These include both industrial and non-industrial projects. Applicants can qualify for Real Property Tax Exemption through either Bonding or Straight Lease Agreements with the Agency. The project must be shown to serve a public purpose by creating or retaining employment. Additionally, State

restrictions on applicants include prohibitions to projects that are extraterritorial (GML Section 854(4)), governmental projects (GML Section 854(B)), projects raided from outside Sullivan County except as allowed under GML Section 862(1), and the limitations on the Agency's ability to provide assistance to retail projects (GML Section 862(2)).

The following are the Abatement Programs adopted by the County of Sullivan Industrial Development Agency.

a. General Abatement Program

After A Certificate of Establishment of the Agency was filed with the New York Secretary of State on November 6, 1970, an original tax abatement policy was adopted by the founding members of the Agency under authority granted pursuant to Section 906 of the General Municipal Law of the State of New York. That basic policy still exists today and is called the General Abatement Policy and it is the basic abatement schedule used by the County of Sullivan IDA. In this program, real estate taxes on the increased value resulting from improvements are abated at fifty (50%) percent for year one (1) with the abatement decreasing two and one-half (2½%) percent per year for years two (2) through twenty (20). This type of abatement program provides benefits similar to benefits that are available under New York Real Property Tax Law (RPTL) Section 485-b, but over a twenty (20) year period versus the ten (10) or less period provided for in the RPTL. Sales tax abatements are provided in connection with all taxable items purchased under this program. Mortgage tax on loans financing projects under this program is abated. Minimum employment goals are established for projects receiving benefits under this program. Employment goals are determined on a project by project basis. Real property tax abatements are reduced in future years if the project's employment goals are not met. The Agency readopted its general abatement program as required by Law on December 28, 1993. The policy was amended in 1997, 1998, 1999, 2004, and 2008.

b. Retail Sales Program

Requirements for assistance to retail projects are set forth in Section 862 of the New York General Municipal Law, and additional requirements as adopted by the Agency on September 14, 2004.

Real estate taxes on the increased value resulting from improvements are abated at fifty (50%) percent for year one (1) with the abatement decreasing by five (5%) percent per year for years two (2) through ten (10). This abatement mirrors Section 485-b of the New York Real Property Tax Law. For years eleven (11) through fourteen (14), PILOT payments are equal to "full taxes"; although the value of the project for PILOT purposes remains fixed. Sales tax abatements are provided in connection with all taxable items purchased in connection with retail projects. All mortgage tax on loans necessary for retail projects is abated. There are no minimum employment goals associated with this program.

c. Tourism Industry Program

The Agency adopted its targeted tax abatement program for the tourism industry on December 31, 1998. Along with the Agricultural Industry, Tourism was recognized as historically being the backbone of Sullivan County's economy. Tourism facilities typically purchase most of their goods and services locally while attracting customers and guests to the County from outside the region. Benefits of tourism industry projects include substantial employment and the import of

tourism dollars into the Sullivan County economy. Real estate taxes on the increased value resulting from improvements are abated at one-hundred (100%) percent of years one (1) through five (5) with the abatement decreasing ten (10%) percent per year for years six (6) through fourteen (14). Sales tax abatements are provided in connection with all taxable items purchased in connection with tourism industry projects. All mortgage tax on loans necessary for tourism industry projects is abated. Minimum employment goals are established for projects receiving benefits under this program. Employment goals are determined on a project for project basis. Real property tax abatements are reduced in future years if the project's employment goals are not met.

d. Agricultural Industry Program

The Agency adopted its targeted tax abatement program for the agricultural industry on September 14, 1998. This program was adopted recognizing that agriculture has historically been the backbone of Sullivan County's economy. The agricultural industry provides the County with both substantial direct and indirect benefits including employment, agricultural products, and preservation of open space. Real estate taxes on the increased value resulting from improvements are abated at one-hundred (100%) percent for years one (1) through five (5) with the abatement decreasing ten (10%) percent per year for years six (6) through fourteen (14). It is noted that the abatement is of little benefit to production farms that qualify for agricultural value assessment. Sales tax abatements are provided in connection with all taxable items purchased in connection with the agricultural projects. Though this is of little benefit to production farms that are statutorily exempt from sales tax, it is an important benefit for services or suppliers to production farms and to businesses processing farm products. All mortgage tax on loans necessary for agricultural industry projects is abated. There are no minimum employment goals associated with this program.

e. Disaster Impacted Business Program

The Agency adopted its targeted tax abatement program for Disaster Impacted Businesses in July of 1998. The purpose of this tax exemption program is to provide incentives for businesses, which have been substantially destroyed by fire, flood, or other natural disasters, to rebuild in the County. Real estate taxes on the increased value resulting from improvements are abated at one-hundred (100%) percent for year one (1) with the abatement decreasing ten (10%) percent per year through year five (5) and then at five (5%) percent per year years six (6) through fifteen (15). Sales tax abatements are provided in connection with all taxable items purchased in connection with the rebuilding of disaster impacted business. All mortgage tax on loans necessary to rebuild the disaster impacted business is abated. Since the disaster impacted business program is a business retention tool, there are no minimum employment goals associated with this program.

f. Targeted Manufacturing Program

The Agency adopted its targeted tax abatement program for special manufacturing projects on May 11, 1999, amended on September 14, 2004. This program selected targeted tax incentives to promote particular businesses or industries in Sullivan County. These businesses were deemed especially well suited and beneficial to the economy of the County. This targeted tax abatement program is limited to the following types of manufacturing businesses only, all other manufacturing businesses would use one of the other applicable abatement programs:

SIC Code	Name of Business
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24 Lumber and Wood Products
2834 Pharmaceutical Preparations Manufacturing
2836 Biological Products Manufacturing
34 Fabricated Metal Products Manufacturing
36 Electronic, Electrical Equipment, and Components

Real estate taxes on the increased value resulting from improvements are abated in accordance with the following schedule:

Year % of Real Estate Taxes Abated

1	90
2	90
3	80
4	80
5	70
6	70
7	60
8	60
9	50
10	50
11	50
12	50
13	40
14	40
15	30
16	30
17	20
18	20
19	10
20	10
21	0

Sales tax abatements are provided in connection with all taxable items purchased in connection with the targeted manufacturing projects. All mortgage tax on loans necessary for those manufacturing projects is abated. Minimum employment goals are established for projects receiving benefits under this program. Employment goals are determined on a project for project basis. Real property tax abatements are reduced in future years if the project's employment goals are not met.

g. Encouraging the Return of Tax Exempt Property to Taxable Status Program

The Agency adopted its targeted tax abatement program encouraging the return of tax exempt property to taxable status on June 8, 1999, and amended on April 8, 2008. In adopting this targeted tax exemption program, the IDA recognized that historically many properties within Sullivan County receive real property tax exemptions as result of ownership and use by not-for-profit organizations. Many of these properties, if returned to the tax rolls would require substantial improvements. In this program, real estate taxes are abated as follows. Real estate taxes are abated over fifteen (15) years as follows: at one-hundred (100%) percent for years one

(1) through three (3), and years four (4) through fifteen (15) abated as follows: year four (4) at 91.67%, year five (5) at 83.33%, year six (6) at 75%, year seven (7) at 66.67%, year eight (8) at 58.33%, year nine (9) at 50%, year ten (10) at 41.67%, year eleven (11) at 33.33%, year twelve (12) at 25%, year thirteen (13) at 16.67%, year fourteen (14) at 8.33%, and year fifteen (15) at 0.00%. The assessed value of the project used in the PILOT will be established by the assessing jurisdiction for the term of the abatement.

Sales tax abatements are provided in connection with all taxable items purchased in connection with this program. All mortgage tax on loans necessary for projects constructed under this program is abated. As this program focuses on taxable status, there are no minimum employment goals associated with this program.

h. Green Technology Manufacturing Program

Adopted by the Agency on April 8, 2008.

This program is targeted to businesses locating in the Green Technology Park located at the Sullivan County Community College.

Real Estate: A twelve (12) year abatement schedule on real estate taxes on the increased value resulting from improvements are abated at one-hundred (100%) percent for first three (3) years, seventy-five (75%) percent the next three (3) years, fifty (50%) percent the following three (3) years, and , and twenty-five (25%) percent the last three (3) years.

Sales: Sales tax abatement on all taxable purchases made in connection with the acquisition, construction, installation, and equipping of the project.

Mortgage: Mortgage tax abatement on all loans financing projects under this program.

Minimum employment goals are established for projects receiving benefits under the Green Technology Manufacturing Program. Employment goals are determined on a project-by-project basis. Real property tax abatements are proportionally reduced if the project's employment goals are not met.

i. Destination Resort Program

Adopted by the Agency on April 8, 2008.

To qualify for this program, a project must meet each of the following criteria:

- 1) \$25,000,000 in total project costs.
- 2) Total project investment of not less than \$250,000 per room; and
- 3) A minimum job creation of one full-time equivalent employee for every four rooms.

Real Estate: Real Estate taxes on the increased value resulting from improvements are abated over sixteen (16) years as follows: at one-hundred (100%) percent for years one (1) through eight (8), and years nine (9) through fifteen (15) abated as follows: year nine (9) at 87.50%, year ten (10) at 75%, year eleven (11) at 62.50%, year twelve (12) at 50%, year thirteen (13) at 37.50%, year fourteen (14) at 25%, year fifteen (15) at 12.50%, and year sixteen (16) at 0.00%.

Sales: Sales tax abatement on all taxable purchases made in connection with the acquisition, construction, installation, and equipping of the project.

Mortgage: Mortgage tax abatement on all loans financing projects under this program.

At least one (1) Full Time Equivalent Employee for every four (4) rooms must be created and maintained during the term of the project. Real property tax abatements are proportionally reduced if the project's employment goals are not met.

j. Tax Credit Participation Program

Adopted by the Agency on April 13, 2010

Lenders underwriting requirements typically require participation in federal tax credit programs to form single purpose entities as conduit borrowers. Normally these single purpose entities are not exempt from taxation, even in cases where the entity is an affiliate or subsidiary of an entity entitled to exemption under RPTL § 420 and qualified and operating under Section 501(c)(3) of the Internal Revenue Code.

To facilitate participation in the Federal New Markets Tax Credit Program, the Federal Historic Tax Credits Program or similar federal and state programs involving the use of federal tax credits.

Real Estate: All real estate tax for the period of the financing program but not exceeding thirty (30) years are abated.

Sales: All sales tax on the lease or purchase of tangible personal property acquired under this program is abated.

Mortgage: All mortgage tax on loans financing projects under this program is abated.

Employment goals are not applicable.

Restriction: This program shall not apply to residential projects. All program participants must be an affiliate or subsidiary of an entity (i) exempt from real property taxes under RPTL § 420 and (ii) qualified and operating under Section 501(c)(3) of the Internal Revenue Code. An entity meeting the requirements of (i) and (ii) above shall be a qualifying subsidiary or affiliate if the applicable exempt entity is (x) the owner of or majority of the beneficial interest in such subsidiary or affiliate or (y) is the managing member of such subsidiary or affiliate.

k. Arts Industry Program.

Adopted by the Agency on June 13, 2016. This program will benefit for-profit businesses in the Arts Industry. Real estate taxes on the increased value resulting from improvements are abated over a fifteen year period as follows: one hundred percent (100%) for years one (1) through five (5); ninety percent (90%) for year six (6); eighty percent (80%) for year seven (7); seventy percent (70%) for year eight (8); sixty percent (60%) for year nine (9); fifty percent (50%) for year ten (10); forty percent (40%) for year eleven (11); thirty percent (30%) for year twelve (12); twenty percent (20%) for year thirteen (13); ten percent (10%) for year fourteen (14); and zero percent (0%) for year fifteen (15). All sales tax on the lease or purchase of tangible personal property acquired under this program is abated. All mortgage tax on loans financing projects under this program is abated.

l. Community Distributed Generation Program.

Adopted by the Agency on December 12, 2016. The purposes of this program are (i) to support New York State's "Reforming the Energy Vision" Initiative, which is intended to encourage renewable energy development that will spur economic growth and develop new energy business models; (ii) to bring community distributed generation projects to Sullivan County ("County"), where existing low electricity rates would otherwise inhibit investment in solar installations; (iii) to administer a single County-wide uniform tax exempt policy, allowing municipalities to collect long-term predictable payment in lieu of taxes ("PILOT") monies without the burden of developing and administering PILOT agreements at the municipal level; (iv) to respect variations in local policy by requiring that each project application includes a letter affirming that the host municipality supports the project; (v) to foster the development of residential and small business

on-site solar energy systems, which are not eligible for Agency benefits, by requiring that towns recommending projects to the Agency also participate in New York State's Real Property Tax Law Section 487 program; (vi) to assist project developers by offering a single County-wide uniform tax exempt policy, eliminating the need to negotiate PILOTs with the County and the various towns, villages, and school districts; (vii) to enhance developers' prospects for financing community distributed generation projects by offering a uniform PILOT structure that is simple and therefore more appealing to lenders; (viii) to benefit the County residents and businesses by requiring community distributed generation projects to offer them a local buying preference and an electricity rate of ten (10%) percent less than the utility company's default rate, averaged over a thirty-six (36) month period; (ix) to stimulate the County's transition to a sustainable energy economy by fostering the generation of local solar energy that is purchased and used within the County; and (x) to bring short-term and long-term jobs to the County.

Sales: Sales tax abatement on all taxable purchases made in connection with the acquisition, construction, installation, and equipping of the project.

Mortgage: Mortgage tax abatement on all loans financing projects under this program.

Real Estate: Real estate taxes on the increased value resulting from improvements are abated over a twenty year period. The annual payment in lieu of taxes (PILOT) is the greater of \$10,000.00 per megawatt (MW) of the facility's nameplate capacity, or 6 percent of gross revenue of the project's sale of electricity. By way of example, for a typical 2 MW project that produces 3,375,000 kilowatt hours (kWh) per year at a price of 9.5 cents per kWh, gross revenue is \$320,625.00. Six percent of gross revenue equals \$19,237.50. In this instance, the PILOT payment for the year is \$20,000.00, which is divided among all affected taxing jurisdictions in proportion to their tax rates.

302. Each project receiving a real property tax exemption will be subject to a Payment in Lieu of Tax Agreement ("PILOT Agreement") in a form acceptable to the Agency. The Agency may consider project factors, similar to those described in Paragraph 203 herein, when determining the amounts to be paid under the PILOT Agreement.

The abatement shall generally apply to value added by construction or renovation and the existing parcel involved. In most situations the involvement by the Agency will not result in revenue to the affected taxing jurisdictions in any tax year being less than the revenues received in the tax year preceding involvement by the Agency. The period of the exemption will not exceed the period of the respective financing or lease, and under no circumstances will the period of the exemption exceed twenty (20) years. The Agency's Policy results in a tax schedule for an approved project starting at a base amount and increasing over the full period of the exemption up to 100% payment of the assessed value of the project. The PILOT is applicable to County, Municipal, and School Taxes.

Such payments shall be allocated among the affected taxing jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected taxing jurisdiction had the project not been tax exempt due to the status of the agency involved in the project.

ARTICLE 400 – SALES AND USE TAX EXEMPTION POLICY

401. Purchases. All purchases of construction materials and equipment rentals and purchases of project related equipment and furnishings are made as agent for the Agency, and are therefore afforded full exemption from local and New York State Sales and Use Taxes, as limited by Article 300 above. Operating and maintenance expenses of projects are not incurred as agent of the Agency, and no sales tax exemption is provided for those expenses. Letters of Sales Tax Exemption will be issued by the Agency for a predetermined length of time, or until the project certificate of occupancy is issued, whichever is a shorter period.

402. Filing. All project applicants must agree to file with the New York State Department of Taxation, in form and at times required, an annual statement of the value of all sales and use taxes exemption claimed in connection with the facility in full compliance with Section 874(8) of the NYS General Municipal Law.

ARTICLE 500 – MORTGAGE TAX EXEMPTION POLICY

501. The Agency's Policy is to permit mortgage recording tax exemptions on all project related financing to the full extent permitted by New York State Law.

502. The Agency may, in its sole discretion, permit mortgage recording tax exemptions on non-project related financing (i.e. second mortgages on the project to secure subordinated indebtedness of the project applicant). In determining whether to permit such exemptions on non-project related financing, the Agency shall consider such factors as it deems appropriate, including but not limited to the use of the property, the degree of investment, the degree and nature of the employment and the economic condition of the areas in which the facility is located.

ARTICLE 600 – PROCEDURE FOR DEVIATION FROM TAX POLICIES

601. In addition to the foregoing, the Agency may determine, on a case by case basis, to deviate from the guidelines described above or provide enhanced benefits for a project expected to have a significant impact in the locality where the project will be located. Any deviation from the guidelines set forth above requires the written notification by the Agency to the chief executive officer of each affected taxing jurisdiction as required by law. The Agency may consider any or all of the factors stated in Paragraph 203 herein in making such determinations.

ARTICLE 700 – RECAPTURE OF BENEFITS

701. The Agency, at its sole discretion and on a case-by-case basis, may determine, (but shall not be required to do so) with respect to a particular project, that the project has failed to meet its intended goals and to require the project applicant to agree to the recapture by the Agency of the value of any or all exemptions from taxation granted with respect to the project by virtue of the Agency's involvement. Events that the Agency may determine will trigger recapture may include, but is not limited to:

- 1) Sale or closure of facility;
- 2) Significant employment reduction;
- 3) Significant change in use in facility;

- 4) Significant change in business activities or project applicant or operator; or
- 5) Material noncompliance with or breach of terms of Agency transaction documents or of zoning or land use laws or regulations or federal, state, or local environmental laws or regulations.

If the Agency determines to provide for the recapture with respect to a particular project, the Agency also shall, in its sole discretion, and on a case-by-case basis, determine the timing and percentage of recapture.

ARTICLE 800 – AMENDMENTS

The Agency, by resolution of its members, and upon notice to all affected taxing jurisdictions as may be required by law, may amend or modify the foregoing policy as it may, from time to time, in its sole discretion determine.

ARTICLE 900 – EFFECTIVE DATE

This Uniform Tax Exemption Policy shall apply to all projects for which the Agency adopts an Inducement Resolution after 1993, and as amended in 1998, 1999, 2004, 2008, 2010, and 2016.