

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 & Chief Financial Officer
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: November 12, 2019

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

DATE: November 18, 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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MEETING AGENDA

Monday, November 18, 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

October 21, 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 New York Liberty I, LLC Project
From December 1, 2019 Through and Including May 30, 2020

Resolution: Clarifying the Sales Tax Abatement for the Veria Lifestyle Inc. Project

Resolution: Authorizing the Amendment of the Amytra Development LLC, Eldred
Entertainment LLC, and Eldred Hospitality LLC Project Documents

Resolution: Appointing Doetsch Family III, LLC as Agent of the Agency; Making Certain Findings
and Determinations; Authorizing the Execution and Delivery of an Agent and Project
Agreement; and Authorizing the Execution of a Lease to Agency, Leaseback to Company,
Payment in Lieu of Tax Agreement, and Related Documents

Any and All Other Business Before the Board

VIII. ADJOURN

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548 Broadway

Monticello, New York 12701

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MEETING MINUTES

Monday, October 21, 2019

I. CALL TO ORDER

Chairman Steingart called to order the regular meeting of the County of Sullivan Industrial Development Agency at approximately 11:05 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
Howard Siegel
Edward Sykes
Paul Guenther
Sean Rieber

Members Absent-

Carol Roig
Paul Guenther (*By Phone)
Joseph Perrello

Staff Present-

Jennifer Flad, Executive Director
Julio Garaicoechea, Project Manager

Staff Absent-

Others Present-

Walter Garigliano, *Agency Counsel*
Tara Lewis, *Garigliano Law Offices (*By Phone)*
Patricio Robayo, *Sullivan County Democrat*
Ken Walter

III. APPROVAL OF MEETING MINUTES

On a motion made by Ms. Loughlin and seconded by Mr. Smith, the Board voted, and the minutes of the September 9, 2019 regular meeting were unanimously approved.

IV. BILLS AND COMMUNICATIONS

Mr. Siegel made a motion to approve the revised schedule of payments. Mr. Sykes 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. NEW BUSINESS

The Board reviewed and discussed a revised **2020 Agency Budget and Financial Plan**. Ms. Loughlin asked if the Food Hub Director position is now funded by the Sullivan Catskills Regional Food Hub, Inc. Ms. Flad

stated that the committed funds for the food hub have been expended and confirmed that funding for the position is the responsibility of the SCRFH Board. Mr. Rieber made a motion to approve the revised 2020 Agency Budget and Financial Plan. Mr. Steingart seconded the motion, the Board voted, and the revised budget was unanimously approved.

The Board reviewed and discussed a resolution extending the sales tax abatement period for the **Amytra Development, LLC, Eldred Entertainment, LLC, and Eldred Hospitality, LLC** Project from November 1, 2019 through and including April 30, 2020. Mr. Smith stated that many people have approached him regarding ethical and environmental issues. Attorney Garigliano reminded the Board of the purpose of the resolution on extending the sales tax exemption period on an approved project within the Tourism Destination program. He added that the project has complied with IDA covenants and that these other matters are regulated by State and Local Government bodies (i.e. New York State Department of Environmental Conservation). Mr. Rieber made a motion to approve. Ms. Loughlin seconded the motion, the Board voted, and the foregoing resolution was put to a vote on roll call which resulted as follows:

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

The Board reviewed and discussed a resolution extending the sales tax abatement period for the **NY Thompson I, LLC**. Project from November 1, 2019 through and including April 30, 2020. Mr. Siegel made a motion to approve the resolution. Mr. Sykes 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 **NY Tusten I, LLC**. Project from November 1, 2019 through and including April 30, 2020. Mr. Siegel made a motion to approve the resolution. Mr. Sykes seconded the motion, the Board voted, and the resolution was unanimously approved.

The Board reviewed and discussed a resolution authorizing and approving execution of the gap mortgage and the consolidated, amended and restated fee and leasehold mortgage, assignment of leases and rents and security agreement, by and among the Agency, **SPT IVEY 61 Emerald MOB, LLC, Citi Real Estate Funding, Inc. and Deutsche Bank AG, New York Branch**. Attorney Garigliano stated that the Agency is a party to a new mortgage and there is no request for a mortgage tax abatement. Ms. Loughlin made a motion to approve the resolution. Mr. Siegel seconded the motion, the Board voted, and the resolution was unanimously approved.

VII. PUBLIC COMMENT

There were none.

VIII. ADJOURNMENT

On a motion made by Mr. Sykes and seconded by Mr. Siegel, the meeting was adjourned at 11:25 AM.

Respectfully submitted:
Julio Garaicoechea, Project Manager
##

DRAFT

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

548 Broadway, Monticello, NY 12701

845-428-7575

SCHEDULE OF PAYMENTS AS OF NOVEMBER 12, 2019

Vendor	Description	Amount
Cardmember Service	Time Warner Cable, Adobe Acrobat Pro, GoToMyPC	\$ 656.14
Catskill Cabin Care	Office Cleaning July - October 2019	\$ 1,050.00
e-Nable Business Solutions	Professional Services 10/29/19	\$ 190.00
Garigiano Law Offices, LLP	November 2019 Retainer	\$ 250.00
	re: Villa Roma Resort & Conference Center	\$ 9,142.00
	re: NY Liberty I LLC Sales Tax Exemption Letter	\$ 250.00
	Garigiano Law Offices, LLP Total	\$ 9,642.00
Harris Beach PLLC	re: ABO, OSC, & NYS Senate Requests and Audits	\$ 1,981.20
	re: CSIDA By-Laws	\$ 7,114.01
	re: SC Funding Corp. By-Laws <i>(to be reimbursed by SCFC)</i>	\$ 1,556.20
	re: TSCILDC By-Laws <i>(to be reimbursed by TSCILDC)</i>	\$ 1,556.20
	re: Catskills Food Hub	\$ 148.80
	re: Veria Lifestyle Inc.	\$ 1,116.00
	re: Sullivan Resorts, LLC	\$ 1,488.00
	Harris Beach, PLLC Total	\$ 14,960.41
New Southern Tier Title Agency LLC	December 2019 Office Rent	\$ 2,700.00
Shepstone Management Company, Inc.	Cost-Benefit Analysis re: Doetsch Family III, LLC <i>(pass-through)</i>	\$ 1,425.00
Sullivan County Democrat	Public Hearing Notice re: Doetsch Family III, LLC <i>(pass-through)</i>	\$ 74.54
Time Warner Cable	Service 11/1/19 - 11/30/19	\$ 219.95
USDA Rural Development	RMAP Loan Repayment - November 2019	\$ 2,370.41
TOTAL		\$ 33,288.45

I certify that the payments listed above were audited by the Board of the IDA on November 18, 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.

<div style="border-bottom: 1px solid black; width: 100%;"></div>	<u>11/18/2019</u> Date
Signature	

Expenses Approved and Paid Since Last Regular Meeting (10/21/2019)

Vendor	Description	Amount
Ninth Planet Beverage Solutions	50% Balance on Canning Line (re: Catskill Brewery RBDG, approved by Board resolutions 3/12/18 & 8/12/19) <i>(pass-through)</i>	\$ 82,175.00
TOTAL		\$ 82,175.00

Other Expenses and Items Paid Since Last Regular Meeting (10/21/2019)—no approval required

Vendor	Description	Amount
Payroll Expenses	Payroll Check Dates: 10/25/19, 11/8/19	\$ 14,792.03
TOTAL		\$ 14,792.03

PILOT Payments Paid Since Last Regular Meeting (10/21/2019)

Vendor	Description	Amount
none		
TOTAL		\$ -

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

November 12, 2019

At its regular monthly meeting on October 21st, the County of Sullivan Industrial Development Agency (IDA) Board authorized and approved the extension of the sales tax abatement periods of three ongoing projects: NY Thompson I, LLC and NY Tusten I, LLC, each for the development of community distributed generation solar electric facility; and Amytra Development LLC, Eldred Entertainment, LLC and Eldred Hospitality, LLC, for the development of an event space, restaurant, accommodations, and related facilities at the site of the former Eldred Preserve. The IDA also authorized and approved mortgage refinancing for the SPT Ivey 61 Emerald MOB LLC project, which relates to the Crystal Run Healthcare facility in Rock Hill. The IDA will not grant a mortgage tax exemption for this transaction. Finally, at its October 21st meeting the IDA Board approved the Fiscal Year 2020 Budget and Financial Plan.

The Sullivan County Funding Corporation (SCFC) Board met twice during October. On October 7th, the Board adopted an inducement resolution related to the issuance of bonds in an amount not to exceed \$70,000,000 to finance certain projects for the benefit of The Center for Discovery, Inc. (TCFD). The bonds will fund the development of the children's hospital at the former Frontier Insurance building in Rock Hill, the expansion of accommodations for adults, and allow TCFD to accommodate more children at its facilities. As of this writing the timeframe for required SCFC and County of Sullivan approvals, and completion of the bond transaction, is not known.

The adopted Fiscal Year 2020 Budgets and Financial Plans for the IDA, SCFC, and The Sullivan County Infrastructure Local Development Corporation (TSCILDC) were filed in New York State's Public Authorities Reporting Information System (PARIS) on October 29, in accordance with Public Authorities Law.

During October the SCFC closed on a new loan to Van Smokey Holding, LLC, for the development of a small batch smokehouse in Livingston Manor.

Staff continues to administer two active USDA Rural Business Development Grants, for the purchase of equipment to be leased to Catskill Brewery in Livingston Manor and Seminary Hill Ciders in Callicoon. We expect to complete procurement and close out these grants during the first half of 2020. During October staff submitted quarterly reports for these grants as well as annual reports for six completed USDA grants.

On November 14th Jennifer Flad will attend the NYS Economic Development Council's IDA Academy on Long Island to learn about new legislation that impacts IDAs, compliance training requirements from the Authorities Budget Office, new developments at the Office of the State Comptroller, and related topics.

During November IDA staff will begin sending Payment in Lieu of Tax (PILOT) bills to our projects. The first PILOT payments are due December 15th, with due dates continuing into February 2020. All PILOT payments will be distributed to the taxing jurisdictions within thirty days of receipt by the IDA.

Julio Garaicoechea

From: Julio Garaicoechea
Sent: Tuesday, November 12, 2019 10:02 AM
To: Julio Garaicoechea
Subject: NY Liberty I, LLC.

From: Richard W. Chun <rchun@rwc-legal.com>
Sent: Tuesday, November 12, 2019 10:00 AM
To: Julio Garaicoechea <juliog@sullivanida.com>
Subject: RE: NY Liberty I, LLC.

Hi Julio,

Thank you very much for following-up. Yes, DRS will be requesting an extension of the sales tax abatement for this project.

The work which remains to be completed include:

1. Site clean-up
2. Grading and demobilization of last equipment (porta Johns, dumpster container)
3. Energization and hot commissioning

Please feel free to contact me with any questions or if I could provide any further information.

Thanks,
Richard

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened in public session on November 18, 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
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 NY LIBERTY I, LLC ("COMPANY") PROJECT FROM DECEMBER 1,
2019 THROUGH AND INCLUDING MAY 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 November 1, 2017, the Agency closed a lease/leaseback transaction with the Company consisting of the construction of an approximately 2MW solar photovoltaic electricity generating facility that will be interconnected to the New York State Electric and Gas (“NYSEG”) electrical grid (“Project”). The Project shall be constructed on a 18.96 ± acre of real estate located along Kelly Bridge Road, Town of Liberty (“Town”), County of Sullivan (“County”), State and identified on the Town tax map as Section 40, Block 1, Lot 10.6 (“Land”). The Project is new construction and will be comprised of (a) racking to mount the solar modules; (b) solar modules; (c) inverters and transformers to sit on a concrete inverter pad and (d) assorted electrical components and wiring. The solar array will be constructed on the Land; and

WHEREAS, on or about August 23, 2017, the Agency and the Company entered into an Agent Agreement pursuant to which the Agency designated the Company its agent; 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 letter, dated November 12, 2019, the Company requested that the sales tax abatement period be extended for another six (6) months 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 December 1, 2019 through and including May 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.

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened in public session on November 18, 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, Agency Executive Director
Edward T. Sykes, Chief Executive Officer
Julio Garaicoechea, Agency Project Manager
Walter F. Garigliano, Agency General Counsel

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

Resolution No. ____ - 19

RESOLUTION CLARIFYING THE SALES TAX ABATEMENT FOR THE VERIA LIFESTYLE INC. PROJECT

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

WHEREAS, pursuant to Resolution No. 36-13 dated October 15, 2013 and Resolution No. 37-13 dated November 12, 2013 (collectively, the “Resolutions”), the Agency closed a

lease/leaseback transaction with Veria Lifestyle Inc. (the “Company”) consisting of: (i) the acquisition by the Agency of a leasehold interest in approximately 22 parcels of land containing in the aggregate 1,310 acres located in the Town of Thompson, Sullivan County, New York, and being comprised of the commonly known Kutshers Country Club, Camp Anawana, Camp Sherwood, Old Liberty Road Sewer Treatment Plant, Fair Hills Bungalow Colony and Kutshers County Club Golf Course, all as more particularly identified in the Company’s application (collectively, the “Land”) and the existing buildings and structures located thereon (collectively, the “Existing Improvements”), (ii) the demolition of certain of the Existing Improvements (the “Building Improvements”), (iii) the construction , reconstruction, renovation and/or repair of water and sewer infrastructure located on the Land (the “Infrastructure Improvements”), and (iv) the acquisition and installation by the Company in and around the Existing Improvements, the Building Improvements and Infrastructure Improvements of certain items of equipment and other tangible personal property (the “Equipment” and collectively with the Land, the Existing Improvements, the Building Improvements and the Infrastructure Improvements, the “Project” or “Facility”); and

WHEREAS, pursuant to the Resolutions, the Agency and the Company entered into a Master Development and Agent Agreement (“MDAA”) dated on or about November 12, 2013 pursuant to which the Agency designated the Company its Agent as well as Master Developer for the Project; and

WHEREAS, pursuant to the Resolutions, the Agency issued the Company a Sales Tax Exemption Letter dated November 12, 2013; and

WHEREAS, the Sales Tax Exemption Letter dated November 12, 2013 was limited to the Facility and the sales tax abatement period was set to expire on December 31, 2014; and

WHEREAS, pursuant to requests by the Company, the Agency extended the sales tax abatement period several times to allow the Company to facilitate its ongoing (i) demolition; and (ii) construction, reconstruction, and/or repair of the water and sewer infrastructure as part of the Initial Phase, as such term is defined in the MDAA, of the Project; and

WHEREAS, pursuant to Resolution No. 24-19 dated June 10, 2019, the Agency extended the sales tax abatement period for the Project through and including December 31, 2019; and

WHEREAS, the Agency now desires to clarify the amount it authorized to be taken by the Company in sales tax abatement benefits with respect to the Project.

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

Section 1. That pursuant to Resolution No. 36-13, the Agency authorized the Company, as its agent, to make purchases of goods or services relating to the Project, that would otherwise be subject to New York State and local

sales and use tax in an amount up to \$1,100,000, which results in New York State and local sales and use tax exemption benefits not to exceed \$88,000 until the mandatory public hearing was held on November 6, 2013 for financial assistance in excess of \$100,000.

- Section 2. That pursuant to Resolution No. 37-13 dated November 12, 2013 and the MDAA and Sales Tax Exemption Letter, each dated on or about November 12, 2013, the Agency authorized the Company to act as its agent to make purchases of goods or services relating to the Initial Phase of the Project consisting of all demolition and infrastructure improvements readying the Land for future development.
- Section 3. That for clarification and certainty, the Agency hereby authorizes, approves and ratifies all purchases of goods or services made by Company to date relating to the Initial Phase of the Project consisting of all demolition and infrastructure improvements readying the Land for future development.
- Section 4. That the Agency is hereby establishing an aggregate limit of New York State and local sales and use tax abatement benefits that may be taken by the Company until the expiration of the sales tax abatement period for the Initial Phase of the Project to purchases that would otherwise be subject to New York State and local sales and use tax in an amount up to \$5,000,000, which results in New York State and local sales and use tax exemption benefits not to exceed \$400,000.
- Section 5. The Agency will consider increases to the amount of sales and use tax abatement benefits authorized herein and extensions of the sales tax abatement period upon written requests made by the Company prior to (i) the expiration of the sales tax abatement period; and (ii) purchases exceeding the amount authorized herein.

Section 6. The Chairman, Chief Executive Officer or General Counsel to the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company; and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 7. 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	<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.

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 18^h day of November, 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 18^h day of November, 2019.

Secretary

AMYTRA DEVELOPMENT LLC
125 PATERSON PLANK ROAD
CARLSTADT, NJ 07072
201 896-0700

Jennifer Flad
County of Sullivan Industrial Development Agency
548 Broadway
Monticello, NY 12701

November 6, 2019

Dear Mrs. Flad,

The current estimate of the cost of the project is \$30,000,000.00 (\$30 million). We believe that the relief we request from sales tax should be 60% of that number (\$30,000,000 x 60% x 8%) or \$1,440,000.

Additionally, we would like to include a 2 acre parcel surrounding the Abplanalp Residence on Roberts Lane in this project. This will enable us to put in a dock and boats for the use of our guests at the Bradstan Boutique Hotel. The 2 acres are part of a larger parcel on the tax map. We are not looking for any tax abatement on this additional portion of the project.

Thank you very much for all your assistance.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Daniel Silna', with a stylized, cursive script.

Daniel Silna
Member

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened in public session on November 18, 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
Walter F. Garigliano, Agency General Counsel

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

Resolution No. _____ - 19

RESOLUTION AUTHORIZING (I) AN OMNIBUS AMENDMENT TO PROJECT DOCUMENTS (AS HEREIN DEFINED) RELATING TO THE AMYTRA DEVELOPMENT LLC (“AMYTRA”), ELDRED ENTERTAINMENT LLC (“ELDRED ENTERTAINMENT”) AND ELDRED HOSPITALITY LLC (“ELDRED HOSPITALITY” TOGETHER WITH AMYTRA AND ELDRED ENTERTAINMENT COLLECTIVELY REFERRED TO AS, THE “COMPANY”) PROJECT; (II) AN INCREASE IN BENEFITS; (III) APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF CONSTRUCTING AND EQUIPPING THE BOAT DOCK (AS HEREIN DEFINED); AND (IV) THE CHAIRMAN AND/OR CHIEF EXECUTIVE OFFICER, EITHER ACTING INDIVIDUALLY, TO EXECUTE AND DELIVER THE OMNIBUS AMENDMENT TO PROJECT DOCUMENTS AND ANY AND ALL DOCUMENTS TO EFFECTUATE THE FOREGOING

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 March 19, 2018, the Company presented an application ("Application") to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the: (i) reconstruction, renovation, rehabilitation, installation and equipping of a former restaurant and motel facility to include (a) approximately 3,064 square foot area of event space ("Event Space"); (b) approximately 10,629 square foot of restaurant space ("Restaurant"); (c) approximately 6,953 square foot of office space ("Office"); and (d) approximately 29,536 square foot of accommodation space ("Inn" together with Event Space, Restaurant collectively the, "Building") situate on one (1) parcel of real estate consisting of approximately 37.93 acres located at 1040 Route 55, Town of Highland ("Town"), Highland, County of Sullivan ("County"), State of New York and identified on the Town tax map as Section 4, Block 1, Lot 3.1 ("Land"); (ii) construction and equipping of the Building; (iii) construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iv) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the "Facility" or the "Project"); and (v) lease of the Project from the Agency to the Company; and

WHEREAS, on April 20, 2018, the Agency by resolution #13-18 approved the Project; and

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

1. Agent and Project Agreement, dated April 20, 2018 ("Agent Agreement");
2. Environmental Compliance and Indemnification Agreement ("ECIA"), dated April 20, 2018;
3. Bill of Sale to Agency, dated April 20, 2018;
4. Bill of Sale to Company, dated April 20, 2018;
5. Lease to Agency and memorandum thereto, dated July 1, 2018;
6. Leaseback to Company and memorandum thereto, dated July 1, 2018; and
7. Payment in Lieu of Tax Agreement, dated July 1, 2018;

(Items 1-7 collectively referred to as the "2018 Transaction Documents")
; and

WHEREAS, by its letter dated October 1, 2019, the Company requested an increase in sales tax exemption authorized by the Agency due to an increase in anticipated Project costs; and

WHEREAS, by its letter dated November 6, 2019, the Company also requested the Agency to: (i) provide financial assistance for the (a) construction and equipping of a dock ("Boat Dock"); and (b) acquisition of boats; and (ii) include a portion of Section 4, Block 1, Lot 2 ("Additional Land") in the Project description; and

WHEREAS, the Agency contemplates that it will (i) authorize the construction and equipping of the Boat Dock, acquisition of boats and the Additional Land; (ii) enter into the Omnibus Amendment to Project Documents to amend the project description in the 2018 Transaction Documents; (iii) increase the financial assistance to the Company in the form of sales and use tax exemption ("Financial Assistance"); (iv) designate the Company as its agent of the Agency for the purpose of constructing and equipping the Boat Dock; (v) provide financial assistance to the Company in the form of a sales tax exemption of purchases related to the construction and equipping of the Boat Dock; and (vi) authorize its Chairman and/or Chief Executive Officer to execute and deliver the Omnibus Amendment to Project Documents and any and all documents necessary to effectuate the foregoing.

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

Section 1. The Chairman or Chief Executive Officer of the Agency, each acting individually are hereby authorized, on behalf of the Agency, to execute and deliver the Omnibus Amendment to Project Documents together with any other documents necessary to authorize the (i) construction and equipping of the boat dock ("Boat Dock"); (ii) inclusion of a portion of Section 4, Block 1, Lot 2; and (iii) increase in financial assistance to a sales tax exemption not to exceed One Million Four Hundred Forty Thousand and 00/100 (\$1,440,000.00) Dollars.

Section 2. Subject to the Company executing an Omnibus Amendment to Project Documents in form and substance approved by the Agency General Counsel, the Agency hereby authorizes the Company to proceed with the construction and equipping of the Boat Dock and hereby appoints the Company as the true and lawful agent of the Agency to construct and equip the Boat Dock on behalf of the Agency; with the authority to delegate its status as agent of the Agency to the Company's agents, subagents, contractors, subcontractors, suppliers, vendors and other such parties as the Company may choose. The appointment described above includes the following activities as they relate to the construction and equipping of the Boat Dock, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Boat Dock; (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the construction and equipping of the Boat Dock; (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with the construction and equipping of the Boat Dock; and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under the Boat Dock, including all repairs and replacements of such property. This agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Boat Dock, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to construct and

equip the Boat Dock shall expire on January 31, 2020 if the Omnibus Amendment has not been executed and delivered.

Section 3. The Agency hereby approves the Company's request to increase the financial assistance and amend the Agent Agreement.

Section 4. Section 4(e) of the Agent Agreement is hereby deleted in its entirety and the following inserted in its place and stead:

“(e) The Company further (i) covenants and agrees that the purchase of goods and services relating to the Project and subject to New York State and local sales and use taxes are estimated in the amount up to \$18,000,000, and, therefore, the value of the sales and use tax exemption benefits authorized and approved by the Agency cannot exceed \$1,440,000, (ii) confirms that the mortgage recording tax exemption amount shall not exceed \$120,000, and (iii) confirms that the real property tax abatement benefits to be provided to the Company shall conform to those contained within the PILOT attached hereto as Exhibit 4.”

Section 5. 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 and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 6. These Resolutions shall take effect immediately

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

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

and therefore, the resolution was declared duly adopted.

STATE OF NEW YORK :
:SS
COUNTY OF SULLIVAN :

I, the undersigned (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 November 18, 2019 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, 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 18th day of November, 2019.

Secretary

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

548 Broadway

Monticello, New York 12701

845-428-7575

APPLICATION FOR FINANCIAL ASSISTANCE

I. APPLICANT INFORMATION:

Company Name: Doetsch Family III LLC

Address: 1216 Hinman Avenue

Phone No.: Evanston, IL 60202

Telefax No.: _____

Email Address: ddoetsch@mayerbrown.com

Fed Id. No.: 83-2851047

Contact Person: Douglas A. Doetsch

Principal Owners/Officers/Directors (list owners with 15% or more in equity holdings with percentage ownership):

Principal Owners (Shareholders/Members/Owners): 50% - Douglas A. Doetsch

50% - Susan A. Manning

Directors/Managers: Douglas A. Doetsch, Managing Member

Officers: _____

Corporate Structure (attach schematic if Applicant is a subsidiary or otherwise affiliated with another entity)

Form of Entity:

☐ Corporation (Sub-s)

Date of incorporation: _____

State of incorporation: _____

☐ Partnership

General _____ or Limited _____

Number of general partners _____

If applicable, number of limited partners _____
Date of formation: _____
Jurisdiction formation: _____

☒ Limited Liability Company/Partnership (number of members 2)

Date of organization: 11/29/18
State of organization: NY

☐ Sole Proprietorship

If a foreign organization, is the Applicant authorized to do business in the State of New York? Yes ☐ No ☐ N/A ☐ (If so, please append Certificate of Authority.)

APPLICANT'S COUNSEL

Name: Douglas A. Doetsch, Mayer Brown LLC

Address: 71 South Wacker Drive, Chicago, IL 60606

Phone No.: 312-701-7973

Telefax No.: _____

Email Address: ddoetsch@mayerbrown.com

II. REQUESTED FINANCIAL ASSISTANCE

	<u>Estimated Value</u>
Real Property Tax Abatement (estimated)	\$ <u>84,835</u>
Mortgage Tax Exemption	\$ <u>4,500</u>
Sales and Use Tax Exemption	\$ <u>36,800</u>
Issuance by the Agency of Tax Exempt Bonds	\$ <u> </u>

III. PROJECT INFORMATION

A.) Project Location:

State Route 97 +
Project Address: 8 Hospital Road, Callicoon, NY 12723
Tax Map Number(s): 15-2-1 [Note: There are two structures]
Located in the Village of: 14-5-29
Located in Town of Delaware
Located in the School District of Sullivan West
Located in Hamlet of Callicoon

(i) Are Utilities on Site?

Water/Sewer ✓ Electric ✓
Gas _____ Storm Sewer _____

(ii) Present legal owner of the site: Doetsch Family III LLC

If other than Applicant, by what means will the site be acquired for this Project:

Callicoon Residential District
(iii) Zoning of Project Site: Current: CAZ-R-1 } Proposed: _____
(iv) Are any variances needed: No } Note: Planning Board approval for use
obtained 7-17-19, with map filed
in Sullivan
(v) Principal Use of Project upon completion: Short stay inn/suites,
To be known as "Seminary Suites" County
Clerk's
Office on
August
26, 2019

B.) Will the Project result in the removal of a plant or facility of the Applicant or a proposed Project occupant from one area of the State of New York to another area of the State of New York? No; If yes, please explain:

C.) Will the Project result in the abandonment of one or more Plants or facilities of the Applicant or a proposed Project occupant located in the State of New York? No; If yes, please explain:

D.) If the answer to either question B or C above is yes, you are required to indicate whether any of the following apply to the Project:

1. Is the Project reasonably necessary to preserve the competitive position of the Applicant or such Project Occupant in its industry? Yes _____; No _____. If yes, please explain:

2. Is the Project reasonably necessary to discourage the Applicant or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes _____; No _____. If yes, please explain:

E.) Will the Project include facilities or property that will be primarily used in making retail sales of goods or provide services to customers who personally visit such facilities? No; If yes, please contact the Agency for additional information.

F.) Please provide a narrative of the Project and the purpose of the Project (new build, renovations, and/or all equipment purchases). Identify specific uses occurring within the Project. Describe any and all tenants and any/all end users. Describe the proposed acquisitions, construction or reconstruction and a description of the costs and expenditures expected. Attach additional sheets, if necessary.

(Project Plan)
See narrative attached. Also see construction plans attached.

G.) COSTS AND BENEFITS OF THE PROJECT

Costs = Financial Assistance

Estimated Sales Tax Exemption	\$ <u>36,800</u>
Estimated Mortgage Tax Exemption	\$ <u>4,500</u>
Estimated Property Tax Abatement	\$ <u>84,835</u>
Estimated Interest Savings IRB Issue	\$ _____

Benefits = Economic Development

Jobs created	\$ <u>15</u>
Jobs retained	\$ <u>—</u>
Private funds invested	\$ <u>975,000</u>
Other Benefits	\$ _____

Estimate how many construction/permanent jobs will be created or retained as a result of this Project:

Construction:	<u>1.0</u>
Permanent:	<u>1.5</u>
Retained (at current facility):	<u>—</u>

Project Costs (Estimates)	
Land and Existing Buildings	\$ <u>220,000</u>
Soft Costs (5%)	\$ <u>30,000</u>
Other	\$ <u>725,000</u>
Total	\$ <u>975,000</u>

In addition to the above estimated capital costs of the project, which must include all costs of real property and equipment acquisition and building construction or reconstruction, you must include details on the amounts to be financed from private sector sources, an estimate of the percentage of project costs financed from public sector sources and an estimate of both the amount to be invested by the Applicant and the amount to be borrowed to finance the Project.

Self funding : \$ 975,000

In addition to the job figures provided above, please indicate the following:

- 1) The projected number of full time equivalent jobs that would be retained and that would be created if the request for financial assistance is granted.

See attached Project Plan

- 2) The projected timeframe for the creation of new jobs.

See attached Project Plan

- 3) The estimated salary and fringe benefit averages or ranges for categories of the jobs that would be retained or created if the request for financial assistance is granted.

Manager : \$40,000 - \$50,000 FTE

Cleaning/housekeeping : \$20,000 - \$30,000 FTE

- 4) An estimate of the number of residents of the economic development region as established pursuant to section two hundred thirty of the Economic Development Law, in which the project is located that would fill such jobs. The

labor market area defined by the agency (Mid-Hudson Economic Development Region)

US census 2015 est. population of Mid-Hudson Region: 2,329,896

H.) State whether there is a likelihood that the project would not be undertaken but for the financial assistance provided by the Agency, or, if the project could be undertaken without financial assistance provided by the Agency, a statement indicating why the project should be undertaken by the Agency Without financial assistance from the Agency, the project's size, scope and tourism impact would be substantially reduced.

IV. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

- A) Job Listings. In accordance with Section 858-b (2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B) First Consideration for Employment. In accordance with Section 858-b (2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C) Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.
- D) Annual Employment Reports. The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

E) Absence of Conflicts of Interest. The Applicant has received from the Agency a list of the members, officers, and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described.

F.) The Applicant represents that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

G.) The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

H.) The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.

I.) The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

(APPLICANT)

Douglas A. Doetsch, Managing Member,
By: (NAME, TITLE) Doetsch Family III LLC

Date: October 23, 2019

(APPLICANT)

By: (NAME, TITLE)

Date: _____

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

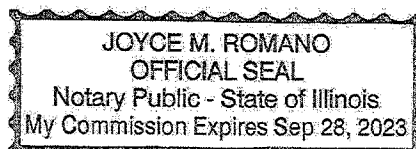
Douglas A. Doetsch, being first duly sworn, deposes and says:

1. That I am the Managing Member of Doetsch Family III LLC (collectively, the, "Applicant") and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

Douglas A. Doetsch
(NAME)

Subscribed and affirmed to me under penalties of perjury
this 23 day of October, 2019.

Joyce M. Romano
(Notary Public)



The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

(APPLICANT)

Douglas A. Doetsch, Managing Member,
By: (NAME, TITLE) Doetsch Family III LLC

Date: October 23, 2019

(APPLICANT)

By: (NAME, TITLE)

Date: _____

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

Douglas A. Doetsch, being first duly sworn, deposes and says:

1. That I am the Managing Member of Doetsch Family III LLC (collectively, the, "Applicant") and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.

Douglas A. Doetsch
(NAME)

Subscribed and affirmed to me under penalties of perjury
this 23 day of October, 2019.

Joyce M. Romano
(Notary Public)



THIS APPLICATION SHALL BE SUBMITTED WITH (I) TWO CHECKS: ONE COVERING A \$250.00 APPLICATION FEE AND THE SECOND COVERING A \$5,000.00 UP-FRONT ESCROW DEPOSIT; AND (II) APPLICANT'S FORMATION DOCUMENTS (IE: IF A CORPORATION: ITS CERTIFICATE OF INCORPORATION AND BYLAWS; IF A LIMITED LIABILITY COMPANY: ITS ARTICLES OF ORGANIZATION AND OPERATING AGREEMENT; IF A LIMITED PARTNERSHIP: ITS CERTIFICATE OF LIMITED PARTNERSHIP AND LIMITED PARTNERSHIP AGREEMENT; OR IF A PARTNERSHIP: ITS PARTNERSHIP AGREEMENT TO:

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY
Executive Director
548 BROADWAY
MONTICELLO, NEW YORK 12701

HOLD HARMLESS AGREEMENT

Applicant hereby releases the COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof ("Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final agreement with the respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

(APPLICANT)

Douglas A. Doetsch, Managing Member,
By: (NAME, TITLE) Doetsch Family III LLC

Date: October 23, 2019

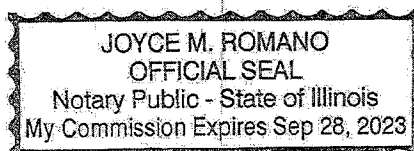
(APPLICANT)

By: (NAME, TITLE) _____

Date: _____

Sworn to before me this
23rd day of October, 2019.

[Signature]
Notary Public



Project Plan for SEMINARY SUITES October 2019

Background

The aim of Seminary Suites is to provide comfortable, modern, well-appointed lodgings to visitors to the Upper Delaware Valley. Featuring small stoves and refrigerators in each unit, the suites would accommodate individuals, couples and families in spacious, multi-room suites in one, two ~~and three~~ ^{and four} bedroom configurations. Our target market would be visitors in Callicoon for the week or weekend, and particularly those attending events at Seminary Hill Cidery, our orchard-based cidery located a mile from the units.

Seminary Suites will be constructed in two historic buildings at the corner of Seminary Road and State Route 97 in Callicoon, Town of Delaware. The oldest building was constructed in 1872 and faces State Road 97. Currently unoccupied, it was for many years a medical office building used by long-time Callicoon town doctor Mills. The second building on the site (both buildings are on the same tax parcel) was originally constructed around 1930 by Dr. Mills as the Callicoon hospital; the building is currently unoccupied, but until recently was long-stay apartments. Both buildings are located in the Callicoon Downtown Historic District.

The project to construct Seminary Suites will entail a "gut" renovation of both buildings, with new roofs, new wiring, new bathrooms, and in general a complete rehabilitation of the buildings, designed to retain their historic appearance.

The founder of Seminary Suites is Douglas A. Doetsch. Doug is a Callicoon native whose family has had a farm above Callicoon since the 1860s. Doug is a partner at the international law firm of Mayer Brown LLP.

Seminary Hill Cidery and Tasting Room

The owners of Seminary Suites also own Seminary Hill Orchard and Seminary Hill Cidery. Seminary Hill Orchard has two properties in Callicoon. One property is on Kautz Road and includes the 88 acre family homestead (in the Doetsch family approximately 150 years), with a home, woods and about 6 acres of fields. Of this, 2.5 acres are fenced and planted with 250 heirloom apple trees. The other property is nearby on Wagner Lane. This is a 59 acre plot that is about 2/3 woods and 1/3 fields, with spectacular views overlooking the Delaware River and the former St. Joseph's Franciscan Seminary. Of this, about 10 acres have been fenced, and 1200 apple/pear trees planted. This plot contains the Seminary Hill Cidery and Tasting Room currently under construction.

The Seminary Hill Cidery and Tasting Room is an almost 8000 square foot facility designed to meet Passive House Institute US (PHIUS) standards, which provide the most cost-effective path for achieving zero energy and carbon use. An eco-friendly and beautifully designed building with views overlooking the Delaware River will attract the tourists that are being targeted by Seminary Hill. The tasting room will hold approximately 100 people for tastings or special

events, and will have a bar with 6-8 taps as well as a porch with seating overlooking the orchard and the Delaware River. Champagne-style bottles of cider will be sold at retail. Ciders from bottles and kegs will also be available by the glass to drink on premises. In addition to Seminary Hill ciders, the tasting room will also offer local cheeses and sausages, as well as grilled vegetables and other light meals. The tasting room will be a place where visitors can learn about Seminary Hill ciders through a variety of written and visual materials, and visitors will also have the opportunity to learn about cider's rich heritage.

We anticipate that Seminary Hill will host weddings and special events, both inside the cidery for groups up to 100 and outside the cidery in an adjacent tent for larger groups. For example, weddings likely would be held in or adjacent to the orchard, weather permitting, with receptions in a tent nearby overlooking the orchard and the Delaware River. Weddings would be themed to the cidery, with special bottlings of cider designed by and for the wedding couples.

Need for Additional Lodging in Callicoon

Callicoon has become one of the focal points of tourism development in Sullivan County, but has a shortage of high quality lodging. Apart from the relatively new Nine River Road and the Western Hotel (which together have under 20 rooms), there are no hotel/B&B rooms in Callicoon. (There are a decent number of AirBnB or VRBO rental homes available in the region, but many guests prefer the in-and-out convenience of a hotel/B&B.) As Callicoon's attractiveness to tourists continues to grow, the need for additional lodgings – particularly on summer weekend – will become more acute.

Seminary Hill has already experienced the shortage of rooms for short term visitors. For two years, Seminary Hill has made itself available for weddings at the Doetsch home located at 134 Seminary Road, averaging about six weddings per year. (Once the Seminary Hill Cidery and Tasting Room is complete, anticipated for summer 2020, the weddings would take place there, rather than at the Doetsch home.) In booking these weddings, Seminary Hill competes with other wedding venues in Sullivan County, such as Handsome Hollow in Long Eddy, but also with other wedding venues along the Hudson River and further upstate. The couples looking at Seminary Hill and competing venues seek a "destination wedding" (often in a rural, agricultural location), where family and friends can spend a long weekend together. The ideal location will offer – all relatively close together - a rehearsal dinner location, a wedding location and a reception location. And critically, the ideal location will also offer nearby lodgings for most of their guests. Wedding venues that do not have lodging available will not compete successfully for these bookings. In discussions with couples who have decided not to book a wedding at Seminary Hill, they have mostly given lack of lodgings for guests as the main reason for choosing another venue.

Seminary Suites would add to Callicoon's hotel stock a total of eight units, all with sitting rooms and small kitchens in a suite configuration. Some would have a single bedroom, others two, *three or four* bedrooms or ~~three~~ bedrooms, to accommodate couples who wish for more room to spread out or families with children. These eight units would have a total of 14 bedrooms, all with en-suite bathrooms, and they could be reconfigured depending on guest needs to combine units or

subdivide units into more units. The fact that each bedroom has its own bathroom will greatly increase the flexibility of spaces available to guests. Seminary Suites will also include common space set up as a welcome parlor/library in the old Callicoon Hospital building, as well as a separate breakfast room in the building. These common spaces would serve both the old Hospital building and the old medical office building. All rehab work to the buildings would be done to Historical Preservation standards.

Apart from a continental breakfast in the Hospital breakfast room, Seminary Suites will not serve meals. Guests will be encouraged to walk down the hill into downtown Callicoon and try the many restaurants and taverns there. The idea is that the entire hamlet of Callicoon will be their neighborhood for the weekend, with shopping, dining and entertainment. As a result, Seminary Suites will contribute to tourism throughout Callicoon and hopefully more broadly in Sullivan County.

Operations

Seminary Suites directly will create 1.5 FTE jobs over the first three years of operation. For the initial year of construction, all design work is being led by Tom Roberts and Anna Aberg of Livingston Manor. Upon opening, Seminary Suites will employ a full time manager and a part-time housekeeper. Due to the indirect effects of permitting more wedding and other event bookings, Seminary Suites is expected to create many indirect FTE positions. On a broader level, as a contributor to tourism, taking into account customary "multiplier" standards for tourism investment, the economic effect could be even more substantial.

Pricing of the units is expected to be consistent with other high quality lodgings in the area, such as Nine River Road. The per night price of a single bedroom suite likely would be roughly \$175-225, of a two bedroom suite roughly \$300-350, and of a three bedroom suite roughly \$400-450. Continental breakfast would be included with the room charge.

Schedule/Timeline

July 2019: Schematic design complete
July 2019: Town of Delaware approval obtained for use of property as inn
October 2019: New roof installed on each building
November 2019: Begin rehab work
May 2020: Rehab work complete
June/July 2020: Furnishing of rooms
August 2020: Open

Project Plan for SEMINARY SUITES

October 2019

Doetsch Family III LLC

Application to County of Sullivan
Industrial Development Agency for
Financial Assistance for

Seminary Suites Lodging Project



Benefit/Cost Analysis

Prepared by:

Shepstone Management Company, Inc.
Planning & Research Consultants
100 Fourth Street Honesdale, PA 18431
(570) 251-9550 FAX 251-9551
www.shepstone.net
mail@shepstone.net

October, 2019

Doetsch Family III LLC Benefit/Cost Analysis

Background:

Doetsch Family III LLC has applied for financial assistance for the development of two related properties in the Town of Delaware (Tax Map Parcels 14-5-29 and 15-2-1). The project involves the conversion of a two structures on the latter parcel into an eight-unit lodging enterprise called Seminary Suites with parking on the opposite side of Route 97. The two structures include the original Callicoon Hospital (pictured below and on cover) plus an adjoining former office building of the two doctors who served the facility.



It is estimated \$975,000 will be invested, including approximately \$600,000 in improving the property, of which an estimated \$360,000 will represent sales taxable materials costs associated with the renovation project. There will also be an estimated \$100,000 invested in furniture, fixtures and equipment that will be sales taxable. The real property improvements will, at an 95.75% equalization rate and with other adjustments, yield an estimated \$450,000 of assessed value). Doetsch Family III LLC has applied to the

Doetsch Family III LLC Benefit/Cost Analysis

County of Sullivan Industrial Development Agency (IDA) for real property, mortgage and sales tax abatements to assist with bringing this project to completion.



Former doctors' offices

New York State law governing IDAs requires "an analysis of the costs and benefits of the proposed project." Shepstone Management Company, Inc. has been requested by the IDA to provide such an analysis on an independent basis. This study is designed to compare the economic benefits of the project, including both direct and indirect revenues generated for local and state government, against the costs to these governments for additional services required. Both direct and indirect costs are considered on this side of the equation as well.

The following is a summary of the findings from this analysis, including supporting materials forming the basis for the conclusion reached.

Doetsch Family III LLC Benefit/Cost Analysis

Methods and Assumptions:

The following methods and assumptions were employed for this analysis of this project:

- 1) The construction/rehabilitation aspect of the project involves an estimated \$460,000 in sales taxable material and equipment purchases, the former amounting to \$360,000 or 60% of construction and the latter being an estimated \$100,000 for furniture, fixtures and equipment (FF&E) at a projected cost of \$12,500 per room based on adjusted *HVS Survey of Hotel Development Costs* figures.
- 2) It is assumed, for purposes of this analysis, that all construction activities will occur in 2019. It is further assumed that the IDA will approve a PILOT Agreement under the IDA's [Uniform Tax Exemption Policy Tourism Industry Program](#), the PILOT to apply to the estimated costs of developing the real property times the 95.75% equalization rate for the Town of Delaware. The PILOT schedule is detailed in the table to the right.
- 3) It is assumed there will be a \$450,000 mortgage to which mortgage tax abatement will apply.

Real Property Tax Abatement Schedule		
Year	% Abated	PILOT %
1	100.0%	0.0%
2	100.0%	0.0%
3	100.0%	0.0%
4	100.0%	0.0%
5	100.0%	0.0%
6	10.0%	90.0%
7	20.0%	80.0%
8	30.0%	70.0%
9	40.0%	60.0%
10	50.0%	50.0%
11	60.0%	40.0%
12	70.0%	30.0%
13	80.0%	20.0%
14	90.0%	10.0%
15	100.0%	0.0%

Doetsch Family III LLC Benefit/Cost Analysis

- 4) It is anticipated the Doetsch Family III LLC project will create 1.5 full-time equivalent jobs with salaries averaging \$40,000 per year.
- 5) The additional annual costs to local government for providing highway maintenance and other non-educational services in the Town of Delaware are estimated at \$1,694 for each new resident attracted (\$4,151 per household). This is based on an estimated county and town tax levy of \$4,300,000, divided by a Town of Delaware population of roughly 2,550 persons.

It is assumed 25% of employees or up to one person will be new to Sullivan County. Further applying an employment multiplier of 1.50 (the New York State Department of Labor estimated multiplier for leisure and hospitality businesses in New York), the project will produce less than one new household (1.5 jobs x 25% new households x 1.50), with a cost of approximately \$4,151 annually in non-educational local government services each.

It is assumed, based on the *Sullivan County Cost of Community Services Study*, that 78.1% or \$3,243 per household would be covered from taxes paid by the new residents, leaving \$908 per household as the net cost for town and county services. This is the ratio of costs of services to tax revenues for residential development in the Town of Delaware.

This is to say every new household, viewed independently of the businesses employing its members, theoretically generates a net tax loss for the community. This strict interpretation provides for a conservative analysis of benefits versus costs, but it is also important to remember the commercial ratables would not exist without the employees required to run the business or residential customers

Doetsch Family III LLC Benefit/Cost Analysis

for its products. The value of costs of services data is limited to analyzing the likely tax impacts of projects, as it is being used in this instance.



- 6) School costs are based on the 0.48 children per household average for Sullivan County times a total cost (net of state aid) of \$18,500 per student, which is the estimated average figure for the Sullivan West School District where the project is located. No more than one additional student is projected.
- 7) Sales taxes attributable to the increased buying power generated by the new payroll the facility will produce are included among benefits the project will create, along with sales taxes and room taxes based on 50% occupancy and a \$300 average room rate per suite (up to four bedrooms in size).

Doetsch Family III LLC Benefit/Cost Analysis

- 8) Cash flow streams from benefits and costs are net present valued using a discount rate of 2.49% ([current interest rate on the public debt](#)). Net present value figures include actual costs of abatements and other costs for 2019 plus discounted values for 2020-2039.

Conclusion:

This project will generate costs of \$126,135 in mortgage, real property and sales tax abatements over the period of the standard PILOT agreement plus five years. Net present valued this equates to a total cost of \$114,752. There are an additional estimated \$19,473 of school costs and \$9,101 of highway and related costs over this same period (net present valued), bringing total costs to \$143,326.

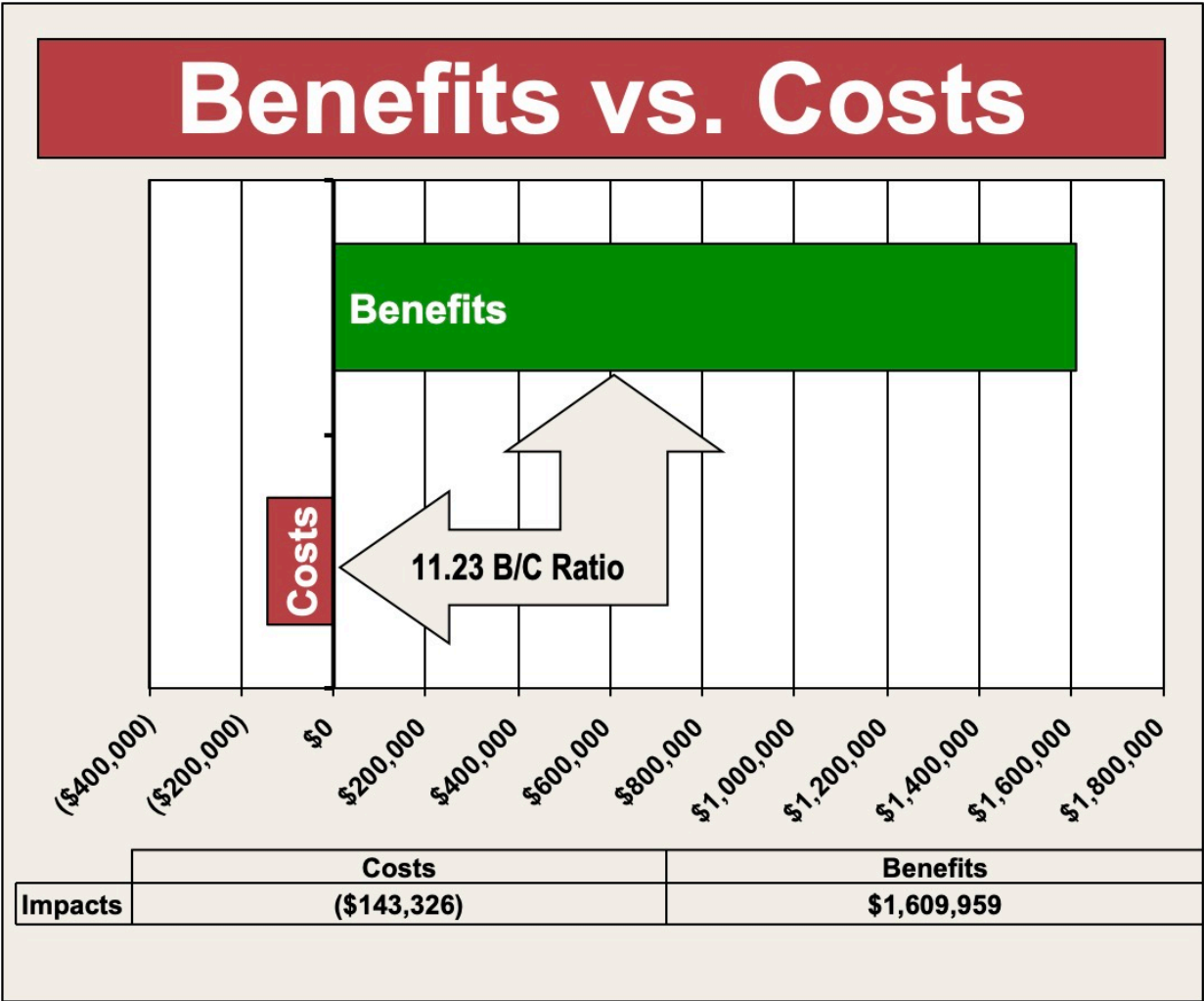
The project benefits consist of the new real property taxes that will be generated (\$135,190), the payroll gains (\$412,723), the sales taxes from those payroll gains (\$33,018), the sales taxes from operations (\$633,248) and hotel occupancy taxes (\$395,780) which, at net present value, total \$1,609,959 combined over the analysis period.

This yields a positive benefit/cost ratio of 11.23.

Doetsch Family III LLC Benefit/Cost Analysis

Cost/Benefit Analysis	
Costs (2019-2039)	
Sales Tax Abatements (County)	\$18,400
Sales Tax Abatements (State)	\$18,400
Mortgage Tax Abatements	\$4,500
Real Property Tax Reductions Net of 485-b Benefits	\$84,835
Sub-Total (Value of All Abatements) =	\$126,135
Net Present Value of Abatements	\$114,752
Additional School Costs	\$19,473
Variable Highway & Other Municipal Costs	\$9,101
Total Costs (Net Present Value)=	\$143,326
Benefits (Net Present Value, 2019-2039)	
Real Property Taxes	\$135,190
Sales Taxes (General - From Gains in Buying Power)	
County	\$16,509
State	\$16,509
Sales Taxes (From Operations)	
County	\$316,624
State	\$316,624
Hotel Occupancy Taxes	\$395,780
Sub-Total (Taxes/Charges) =	\$1,197,236
Personal Income Gains Related to New/Retained Jobs	\$275,149
Personal Income Gains Related to Multiplier Effects	\$137,574
Sub-Total (Income Gains) =	\$412,723
Total Benefits =	\$1,609,959
Excess Benefits Over Costs =	\$1,466,633
Benefits to Costs Ratio =	11.23

Doetsch Family III LLC Benefit/Cost Analysis



Doetsch Family III LLC Benefit/Cost Analysis

Economic Analysis of Project and Requested Tax Abatement Program												
DESCRIPTION	2019 C1	2020 1	2021 2	2022 3	2023 4	2024 5	2025 6	2026 7	2027 8	2028 9	2029 10	2030 11
Sales Tax Abatement	\$36,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mortgage Tax Abatement	\$4,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Real Property Tax Abatement	\$0	\$6,857	\$7,656	\$8,478	\$9,322	\$8,734	\$8,126	\$7,498	\$6,850	\$6,180	\$5,489	\$4,775
Highway/Other Costs	\$0	\$511	\$518	\$526	\$534	\$542	\$550	\$558	\$567	\$575	\$584	\$593
School Costs	\$0	\$1,093	\$1,109	\$1,126	\$1,143	\$1,160	\$1,177	\$1,195	\$1,213	\$1,231	\$1,250	\$1,268
Real Property Taxes	\$0	\$0	\$0	\$0	\$0	\$1,456	\$2,955	\$4,499	\$6,089	\$7,725	\$9,409	\$11,142
Personal Income - New/Retained Jobs	\$0	\$15,225	\$15,685	\$15,920	\$16,159	\$16,402	\$16,648	\$16,897	\$17,151	\$17,408	\$17,669	\$17,934
Indirect Income Benefits	\$0	\$7,613	\$7,843	\$7,960	\$8,080	\$8,201	\$8,324	\$8,449	\$8,575	\$8,704	\$8,835	\$8,967
Added Sales Tax (General)	\$0	\$1,827	\$1,882	\$1,910	\$1,939	\$1,968	\$1,998	\$2,028	\$2,058	\$2,089	\$2,120	\$2,152
Added Sales Tax (Operations)	\$0	\$35,040	\$36,099	\$36,641	\$37,190	\$37,748	\$38,314	\$38,889	\$39,472	\$40,064	\$40,665	\$41,275
Room Tax	\$0	\$21,900	\$22,562	\$22,900	\$23,244	\$23,593	\$23,946	\$24,306	\$24,670	\$25,040	\$25,416	\$25,797

Economic Analysis of Project and Requested Tax Abatement Program												
DESCRIPTION	2031 12	2031 13	2032 14	2033 15	2034 16	2035 17	2036 18	2037 19	2038 20	2039 21	TOTALS	
											Actual	NPV
Sales Tax Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,800	\$36,800
Mortgage Tax Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,500	\$4,500
Real Property Tax Abatement	\$3,231	\$1,640	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$84,835	\$73,452
Highway/Other Costs	\$602	\$611	\$620	\$629	\$639	\$648	\$658	\$668	\$678	\$688	\$11,810	\$9,101
School Costs	\$1,287	\$1,307	\$1,326	\$1,346	\$1,366	\$1,387	\$1,408	\$1,429	\$1,450	\$1,472	\$25,270	\$19,473
Real Property Taxes	\$12,924	\$14,758	\$16,644	\$18,593	\$17,147	\$17,404	\$17,665	\$17,930	\$18,199	\$18,472	\$192,838	\$135,190
Personal Income - New/Retained Jobs	\$18,203	\$18,476	\$18,753	\$19,035	\$19,320	\$19,610	\$19,904	\$20,203	\$20,506	\$20,813	\$357,110	\$275,149
Indirect Income Benefits	\$9,102	\$9,238	\$9,377	\$9,517	\$9,660	\$9,805	\$9,952	\$10,101	\$10,253	\$10,407	\$178,555	\$137,574
Added Sales Tax (General)	\$2,184	\$2,217	\$2,250	\$2,284	\$2,318	\$2,353	\$2,389	\$2,424	\$2,461	\$2,498	\$42,853	\$33,018
Added Sales Tax (Operations)	\$41,894	\$42,523	\$43,161	\$43,808	\$44,465	\$45,132	\$45,809	\$46,496	\$47,194	\$47,902	\$821,881	\$633,248
Room Tax	\$26,184	\$26,577	\$26,975	\$27,380	\$27,791	\$28,208	\$28,631	\$29,060	\$29,496	\$29,939	\$513,676	\$395,780

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law will be held by the County of Sullivan Industrial Development Agency ("Agency") on November 18, 2019 at 9:00 am, local time, at the Town of Delaware Municipal Building, 104 Main Street, Hortonville, NY, 12745, in connection with the following matter:

Doetsch Family III LLC (the "Company") has submitted an application ("Application"), a copy of which is on file with the Agency, requesting the Agency's assistance with respect to a certain project consisting of the: (i) construction, reconstruction, renovation, rehabilitation, installation and equipping of two (2) buildings aggregating approximately 7,870+/- square feet intended to be used as a short-term lodging facility comprising a total of eight (8) units with bedrooms, bathrooms, living rooms, and kitchens (collectively, the "Buildings") together with related parking accommodations ("Parking Accommodations") situate on two (2) parcels of real estate consisting of approximately 0.64+/- acres located along State Route 97 at 8 Hospital Road and Mitchell Avenue, Town of Delaware ("Town"), County of Sullivan, State of New York and identified on the Town's tax map as Section 14, Block 5, Lot 29 and Section 15, Block 2, Lot 1 ("Land"); (ii) acquisition, construction and equipping of the Buildings and Parking Accommodations; (iii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iv) construction of improvements to the Buildings, the Parking Accommodations, the Land and the Equipment (collectively, the Buildings, the Parking Accommodations, the Land and the Equipment are referred to as the "Facility" or the "Project"); and (v) lease of the Facility from the Agency to the Company.

The Agency will acquire title to, or a leasehold interest in, the Facility and lease the Facility back to the Company. At the end of the lease term, the Company will purchase the Facility from the Agency, or if the Agency holds a leasehold interest, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance ("Financial Assistance") to the Company in the form of sales and use tax exemption and a mortgage recording tax exemption, consistent with the policies of the Agency, and a partial real property tax abatement.

A representative of the Agency will be at the above-stated time and place to present a copy of the Company's project application and hear and accept written and oral comments from all persons with views in favor of, opposed to or otherwise relevant to the proposed Financial Assistance.

Dated: November 6, 2019

By: COUNTY OF SULLIVAN INDUSTRIAL
DEVELOPMENT AGENCY

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened in public session on November 18, 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
Walter F. Garigliano, Agency General Counsel

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

Resolution No. _____ - 19

RESOLUTION OF THE COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY APPOINTING DOETSCH FAMILY III LLC ("COMPANY") AS ITS AGENT FOR THE PURPOSE OF CONSTRUCTING, RECONSTRUCTING, RENOVATING, REHABILITATING, INSTALLING AND EQUIPPING THE PROJECT (HEREINAFTER DEFINED); MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT AND PROJECT AGREEMENT BETWEEN THE AGENCY AND THE COMPANY; AUTHORIZING THE AGENCY TO EXECUTE THE LEASE TO AGENCY ("LEASE"), LEASEBACK TO COMPANY ("LEASEBACK"), PAYMENT IN LIEU OF TAX AGREEMENT ("PILOT AGREEMENT") AND RELATED DOCUMENTS WITH RESPECT TO THE

**CONSTRUCTION, RECONSTRUCTION, RENOVATION,
REHABILITATION, INSTALLATION AND EQUIPPING OF THE PROJECT**

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

WHEREAS, on or about October 23, 2019, the Company presented an application ("Application") to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the: (i) construction, reconstruction, renovation, rehabilitation, installation and equipping of two (2) buildings aggregating approximately 7,870+/- square feet intended to be used as a short-term lodging facility comprising a total of eight (8) units with bedrooms, bathrooms, living rooms, and kitchens (collectively, the "Buildings") together with related parking accommodations ("Parking Accommodations") situate on two (2) parcels of real estate consisting of approximately 0.64+/- acres located along State Route 97 at 8 Hospital Road and Mitchell Avenue, Town of Delaware ("Town"), County of Sullivan, State of New York and identified on the Town's tax map as Section 14, Block 5, Lot 29 and Section 15, Block 2, Lot 1 ("Land"); (ii) acquisition, construction and equipping of the Buildings and Parking Accommodations; (iii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iv) construction of improvements to the Buildings, the Parking Accommodations, the Land and the Equipment (collectively, the Buildings, the Parking Accommodations, the Land and the Equipment are referred to as the "Facility" or the "Project"); and (v) lease of the Facility from the Agency to the Company; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of constructing, reconstructing, renovating, rehabilitating, installing and equipping the Project; (ii) negotiate and enter into an Agent and Project Agreement, the Lease, the Leaseback and the PILOT Agreement with the Company (collectively, the "Transaction Documents"); (iii) hold title to or a leasehold interest in the Land, the improvements and personal property thereon which constitute the Project; and (iv) provide financial assistance to the Company in the form of (a) sales tax exemption for purchases related to the construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project; (b) a real property tax abatement on increased value resulting from improvements to the Land through the PILOT Agreement; and (c) a mortgage tax exemption for financing related to the Project; and

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

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

WHEREAS, to aid the Agency in determining whether the Project may have significant

adverse effects on the environment, the Company has presented a Short Environmental Assessment Form (“EAF”) to the Agency with respect to the Project for its review; and

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

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

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

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

and

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

WHEREAS, the Chief Executive Officer has negotiated the Transaction Documents with the Company; and

WHEREAS, the Transaction Documents have been prepared by Agency Counsel.

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

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

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

Section 2. Based upon (i) the representations made by the Company to the Agency, and (ii) a review of a short EAF presented to the Agency, the EAF reviewed and acted upon by the Town of Delaware Planning Board, and (iii) related documents, the Agency hereby determines that:

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

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

Section 3. The Agency has determined that the proposed financial assistance exceeds the sum of \$100,000.00 and therefore a public hearing on due notice was held on November 18, 2019 at 9:00 am, local time, at the Town of Delaware Municipal Building, 104 Main Street, Hortonville, NY, 12745, County, State at which hearing comments relating to the proposed financial assistance were solicited. Said public hearing was open to the general public and public notice of the time and place of said public hearing was duly given in accordance with the applicable provisions of the General Municipal Law of the State.

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

- (A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;
- (B) It is desirable and in the public interest for the Agency to (i) take a leasehold interest in the Land and to take title to improvements and personal property constituting the Project; and (ii) appoint the Company as its agent for purposes of constructing, reconstructing, renovating, installing and equipping the Project; and
- (C) The Agency has the authority to take the actions contemplated therein under the Act; and
- (D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Sullivan County and otherwise furthering the purposes of the Agency as set forth in the Act.

Section 5. Subject to the Company executing an Agent and Project Agreement in form and substance approved by the Chief Executive Officer, the Agency hereby authorizes the Company to proceed with the construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency to construct, reconstruct, renovate, rehabilitate, install and equip the Project on behalf of the Agency; with the authority to delegate its status as agent of the Agency to the Company's agents, subagents, contractors, subcontractors, suppliers, vendors and other such parties as the Company may choose. The appointment described above includes the following activities as they relate to the construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Project; (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project; (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with the construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project; and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under the Project, including all repairs and replacements of such property. This agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Project, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to construct, reconstruct, renovate, rehabilitate, install and equip the Project shall expire on **May 31, 2020** if the Transaction Documents have not been executed and delivered.

Section 6. Based upon the representation and warranties made by the Company in its application 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 \$460,000, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$36,800. 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 7. Pursuant to Section 875(3) of the New York General Municipal Law, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project. As a condition precedent of receiving sales and use tax exemption benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 8. The Transaction Documents which were negotiated by the Chief Executive Officer, are hereby approved as to form and substance on condition that: (i) the payments under the Leaseback include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 9. The Chairman, Executive Director or Chief Executive Officer of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Transaction

Documents in the form presented at this meeting all with such changes, variations, omissions and insertions as the Chairman, Executive Director or Chief Executive Officer of the Agency shall approve, the execution thereof by the Chairman, Executive Director or Chief Executive Officer of the Agency to constitute conclusive evidence of such approval.

Section 10. The officers, employees and agents of the Agency are hereby authorized and directed in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 11. It is hereby found and determined that all formal actions of the Agency concerning and relating to the adoption of this resolution were adopted in an open meeting of the Agency; and that all deliberations of the Agency and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

Section 12. The Executive Director, Chief Executive Officer or Counsel to the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company; and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 13. This resolution shall take effect immediately.

THE MEMBERS VOTED ON THE FOREGOING RESOLUTION AS FOLLOWS:

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

and therefore, the resolution was declared duly adopted.

STATE OF NEW YORK :
:SS
COUNTY OF SULLIVAN :

I, the undersigned (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 18th day of November, 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 18th day of November, 2019.

Secretary