

**RESOLUTION**

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened in public session on February 10, 2020, 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	[   ]	[ √ ]
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 Paul Guenther, and seconded by Carol Roig, to wit:

Resolution No. 04 - 20

***RESOLUTION AUTHORIZING (I) AN AMENDED PAYMENT IN LIEU OF TAX AGREEMENT RELATING TO THE CATSKILL HOSPITALITY HOLDING LLC (“CHH”) AND CATSKILL HOSPITALITY OPERATING LLC (“CHO” AND TOGETHER WITH CHH, COLLECTIVELY, THE “COMPANY”) PROJECT; AND (II) THE CHAIRMAN, CHIEF EXECUTIVE OFFICER OR EXECUTIVE DIRECTOR TO EXECUTE AND DELIVER ANY AND ALL DOCUMENTS NECESSARY TO EFFECUATE 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 April 5, 2016, the Company presented an application (“Application”) to the Agency, 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) acquisition, construction, installation and equipping of an approximately 56,000 square foot building intended to be used as a limited service hotel (“Building”) situate on one (1) parcel of real estate consisting of approximately 6.59± acres located along Golden Ridge Road, Town of Thompson (“Town”), County of Sullivan (“County”), State of New York and identified on the Town tax map as a portion of Section 13, Block 3, Lot 38.1 (“Land”); (ii) acquisition, construction and equipping of the Building; (iii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (iv) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the “Facility” or the “Project”); and (v) lease of the Project from the Agency to the Company; and

**WHEREAS**, on June 20, 2016 by resolution #22-16, the Agency authorized the Company to act as its agent for the purposes of acquiring, constructing, installing and equipping the Facility and conferred on the Company certain financial assistance consisting of: (a) an exemption from all New York State and local sales and use tax for the purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction, installation or equipping of the Facility, (b) an exemption from mortgage recording tax, and (c) a partial abatement from real property taxes conferred through a certain payment in lieu of tax agreement requiring the Company to make payments in lieu of taxes (“PILOT”) for the benefit of each municipality and school district having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption, the mortgage recording tax exemption, and the partial abatement from real property taxes, are hereinafter collectively referred to as the “Financial Assistance”). Provision of Financial Assistance is subject to the Company entering into the Agent and Project Agreement; and

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

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

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

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

1. Agent and Project Agreement; and
2. Environmental Compliance and Indemnification Agreement; and

**WHEREAS**, on August 23, 2017 by resolution #42-17, the Agency approved the execution and delivery of three (3) or more mortgages in favor of Bancorp Bank in an aggregate amount not to exceed \$12,000,000; and

*WHEREAS*, the Agency took title to the Land by Bargain & Sale Deed, dated March 13, 2017 which was recorded on March 22, 2018 in the Sullivan County Clerk's Office as Instrument Number 2017-2254; and

*WHEREAS*, in order to obtain Project financing, the Company requested that title to the Land be re-conveyed by the Agency to the Company; and

*WHEREAS*, by Quit Claim Deed, dated August 10, 2018 the Agency conveyed legal title to the Land to the Company; and

*WHEREAS*, on August 1, 2018 the Agency and the Company entered into the following documents:

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

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

; and

*WHEREAS*, at the time of the Application, adoption of Resolution #22-16\_\_\_\_\_ and execution of the PILOT Agreement, it was anticipated that the Project would be completed and open for business by the end of 2018; and

*WHEREAS*, the development of the Project is ongoing, and it is now anticipated that the Project will be completed later in the year 2020; and

*WHEREAS*, it is the Agency's intent to provide the benefits contemplated by the Agency's Tourism Destination Uniform Tax Exemption Policy over the operating life of the Project; and

*WHEREAS*, the Agency contemplates (i) entering into an Amended Payment in Lieu of Tax Agreement to delay the each applicable year of the exemption contemplated by the PILOT Agreement by one year and to provide for a PILOT payment equal to what taxes would have been if the Agency was not involved in the Project for the payment due February 1, 2020; and (ii) authorizing its Chairman, Chief Executive Officer or Executive Director to execute and deliver the same.

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

Section 1. The Chairman, Chief Executive Officer or Executive Director of the Agency, each acting individually, are hereby authorized, on behalf of the Agency, to execute and

deliver the Amended Payment in Lieu of Tax Agreement to delay the each applicable year of the exemption contemplated by the PILOT Agreement by one year and to provide for a PILOT payment equal to what taxes would have been if the Agency was not involved in the Project for the payment due February 1, 2020.

Section 2. 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 3. These Resolutions shall take effect immediately

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

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

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 February 10, 2020 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	[ <input checked="" type="checkbox"/> ]	[            ]
Suzanne Loughlin	[            ]	[ <input checked="" type="checkbox"/> ]
Edward T. Sykes	[ <input checked="" type="checkbox"/> ]	[            ]
Howard Siegel	[            ]	[ <input checked="" type="checkbox"/> ]
Scott Smith	[            ]	[ <input checked="" type="checkbox"/> ]
Paul Guenther	[ <input checked="" type="checkbox"/> ]	[            ]
Joseph Perrello	[ <input checked="" type="checkbox"/> ]	[            ]
Carol Roig	[ <input checked="" type="checkbox"/> ]	[            ]

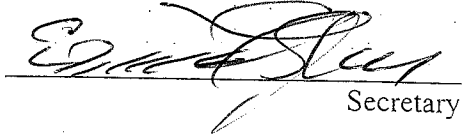
3. The question of the adoption of the foregoing resolution was duly put to a vote on roll call which resulted as follows:

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

and therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, (ii) pursuant to Sections 103a and 104 of the Public Officers Law (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 10<sup>th</sup> day of February, 2020.

  
Secretary