

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened in public session on March 8, 2021, at 11:00 a.m., local time via teleconference as authorized by New York Governor Andrew Cuomo’s Executive Order No. 202.94.

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	[√]	[]
Carol Roig	[√]	[]

The following persons were also present:

- Jennifer M. Flad, Executive Director
- Julio Garaicoechea, Project Manager
- Deborah Nola, Accounting and Financial Analyst
- Walter F. Garigliano, General Counsel

The following resolution was duly offered by Howard Siegel, and seconded by Carol Roig, to wit:

Resolution No. 08 - 21

RESOLUTION OF THE AGENCY APPROVING AN INCREASE IN THE AUTHORIZED SALES AND USE TAX ABATEMENT 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

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 letter dated November 6, 2019, the Company notified the Agency of an increase in the estimated cost of the Project to \$30,000,000 and requested the Agency increase the otherwise taxable authorized purchases to \$18,000,000, which would result in an increase in the sales tax exemption to \$1,440,000; and

WHEREAS, by its November 6, 2019 letter, the Company notified the Agency that two (2) acres of an adjoining parcel depicted on the Town of Highland tax map as Section 4, Block 1, Lot 2 would be added to the Land for the purpose of including additional recreational amenities for the Project (“Dock Parcel”); and

WHEREAS, on November 18, 2019, the Agency by resolution # 52-19 approved the increase of authorized purchases and addition of the two- (2) acre recreational site to the Project for purposes of the Agent Agreement, only; and

WHEREAS, the Agency and Company entered into an Omnibus Agreement dated the 18th day of November, 2019 to amend certain of the Project Documents to increase the financial

assistance to the Company in the form of additional sales and use tax exemption for the Project and to amend the Project description to include the Dock Parcel to the Agent Agreement, only; and

WHEREAS, at the time of the Application, adoption of Resolution 43-18 and execution of the PILOT Agreement, it was anticipated that the Project would be completed and open for business by summer of 2019; and

WHEREAS, the development of the Project was delayed by design changes and it was anticipated that the Project would be completed in early summer of 2020; and

WHEREAS, by letter dated January 20, 2020, the Company requested that the PILOT Agreement be extended a year due to the delays in construction; and

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

WHEREAS, by Agency resolution #3-20, the Agency approved (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) authorized its Chairman, Chief Executive Officer or Executive Director to execute and deliver the same; and

WHEREAS, the Agency and Company entered into an Amended Payment in Lieu of Taxation Agreement, effective as of February 10, 2020 to delay the exemption period for one year; and

WHEREAS, by its letter, dated February 3, 2021, the Company requested an increase in the authorized amount of the sales and use tax exemption from One Million Four Hundred Forty Thousand and 00/100 (\$1,440,000.00) Dollars to One Million Six Hundred Eighty Thousand and 00/100 (\$1,680,000.00) Dollars due to an additional increase in Project costs; and

WHEREAS, the direct and indirect benefits to the local economy of additional construction activity far exceeds the cost of the increased sales and use tax exemption.

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

Section 1. The Agency hereby approves the Company's request to increase the authorized sales and use tax abatement to an amount not to exceed One Million Six Hundred Eighty Thousand and 00/100 (\$1,680,000.00) Dollars conditioned upon payment of all fees and costs of the Agency related hereto.

Section 2. 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 \$21,000,000.00, and, therefore, the value of the sales and use tax exemption benefits authorized and approved by the Agency cannot exceed \$1,680,000.00, (ii) confirms that the mortgage recording tax exemption amount shall not exceed \$12,000, 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 3. 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 and to execute any and all documents as may be necessary or convenient to implement the provisions of this resolution.

Section 4. 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 checked="" 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 checked="" 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input 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
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 via conference call on March 8, 2021 at 11:00 a.m., 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"/>]	[]
Carol Roig	[<input checked="" type="checkbox"/>]	[]

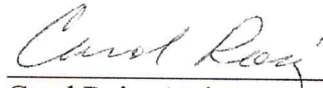
3. The question of the adoption of the foregoing resolution was duly put to a vote on roll call which resulted as follows:

Ira Steingart	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Suzanne Loughlin	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[] Yes	[] No	[<input checked="" type="checkbox"/>] Absent	[] Abstain
Howard Siegel	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Scott Smith	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Paul Guenther	[<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 103(a) and (c) and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public via videoconferencing and public notice of the time and place of said meeting was duly given in accordance with such Sections 103(a) and (c) and 104, (iii) the meeting in all respects was duly held via teleconference as authorized by New York Governor Andrew Cuomo's Executive Order No. 202.94, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 8th day of March, 2021.



Carol Roig, Assistant Secretary