

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: Suzanne Loughlin, IDA Chairperson
Edward Sykes, IDA Vice Chairman
Carol Roig, IDA Secretary
Howard Siegel, IDA Treasurer & Chief Financial Officer
Scott Smith, IDA Assistant Treasurer
Paul Guenther, IDA Member
Sean Brooks, IDA Member
Philip Vallone, IDA Member
Chairman and Members of the Sullivan County Legislature
Josh Potosek, Sullivan County Manager
John Kiefer, IDA Chief Executive Officer
Walter Garigliano, Esq., IDA Counsel

FROM: Jennifer Flad, Executive Director

DATE: July 5, 2022

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

Date: Monday, July 11, 2022
Time: 11:00 AM
Location: Via Zoom Videoconference Call

Because of the Novel Coronavirus (COVID-19) pandemic and in accordance with Chapter 417 of the Laws of 2021, which took effect on September 2, 2021 and was most recently amended on June 14, 2022, and which allows state and local government meetings that are normally held in person to be held remotely instead, this meeting will be held via Zoom videoconference call.

Members of the public may attend the meeting by dialing 929-205-6099 and entering Meeting ID 678-518-8985 or by using the following meeting link: <https://us06web.zoom.us/j/6785188985>

This meeting video will also be livestreamed on the [IDA's YouTube Channel](#).

Meeting documents will be posted online [here](#).

SEE REVERSE FOR AGENDA

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REVISED MEETING AGENDA

Monday, July 11, 2022

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MEETING MINUTES

June 13, 2022 Regular Meeting

IV. BILLS AND COMMUNICATIONS

V. STAFF ACTIVITY REPORT & QUARTERLY FINANCIAL REPORT

VI. NEW BUSINESS

Resolution: Appointing NY Liberty II, LLC as Agent of the Agency for the Purpose of Constructing 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 a Lease to Agency, Leaseback to Company, Payment in Lieu of Tax Agreement and Related Documents with Respect to the Construction of the Project

Resolution: (I) Authorizing Acceptance of the Amendment of the Application for Agency Benefits Dated March 15, 2022 Submitted by FSH Lodge at Neversink, LLC and 7491 State Route 55 Property Co., LLC; (II) Amending Agency Resolution No. 15-22 Adopted on April 11, 2022; (III) Authorizing Amendment of the Agent and Project Agreement Dated June 1, 2022; and (IV) Authorizing Execution and Delivery of One or More Mortgages to Secure a Loan from Walden Savings Bank in the Original Amount Not to Exceed \$7,750,000 Relating to the Company's Project

Resolution: Extending the Sales Tax Abatement Period for the Catskill Hospitality Holding, LLC and Catskill Hospitality Operating, LLC Project from August 1, 2022 through and including January 31, 2023

Discussion: Catskills Food Hub

Any and All Other Business Before the Board

VII. PUBLIC COMMENT AND ADJOURN

##

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MEETING MINUTES

Monday, June 13, 2022

I. CALL TO ORDER

Chairperson Suzanne Loughlin called to order the regular meeting of the County of Sullivan Industrial Development Agency at approximately 11:02 AM via video conference.

II. ROLL CALL

Members Present-

Suzanne Loughlin

Edward Sykes

Carol Roig

Paul Guenther

Scott Smith

Phil Vallone

Members Absent-

Howard Siegel

Sean Brooks

Staff Present-

John Kiefer, Chief Executive Officer

Jennifer Flad, Executive Director

Julio Garaicoechea, Project Manager

Staff Absent-

None

Others Present-

Walter Garigliano, Agency Counsel

Joseph Abraham, *Sullivan County Democrat*

III. APPROVAL OF MEETING MINUTES

On a motion made by Mr. Sykes, and seconded by Mr. Smith, the minutes of the May 9, 2022 recessed and May 16, 2022 reconvened meetings were unanimously approved.

IV. BILLS AND COMMUNICATIONS

On a motion made by Mr. Sykes, and seconded by Mr. Guenther, the schedule of payments showing 10 payments totaling \$31,372.71 was unanimously approved.

V. STAFF ACTIVITY REPORT

There were no additions to the Staff Activity Report.

VI. NEW BUSINESS

On a motion made by Mr. Guenther, and seconded by Mr. Smith, the Board discussed a resolution authorizing the Agency to provide funding to the **Partnership for Economic Development in Sullivan County, Inc.** for the second quarter of 2022. Chairperson Loughlin called the motion to question, the Board voted, and the resolution was unanimously approved.

On a motion made by Ms. Roig, and seconded by Mr. Guenther, the Board reviewed and discussed a resolution extending the Sales Tax Abatement Period for the **Doetsch Family I, LLC and Doetsch Family II, LLC Project** from July 1, 2022 through and including the December 31, 2022. Chairperson Loughlin called the motion the question, the Board voted and the resolution was unanimously approved.

On a motion made by Mr. Sykes, and seconded by Mr. Guenther, the Board reviewed and discussed a resolution extending the Agency's appointment of **Rock Meadow Partners, LLC, Great Pine, LLC, and NARO Building, LLC** as Agent of the Agency and terminating the Agency's involvement with the land other than the land associated with the Narrowsburg Union Project. Chairperson Loughlin called the motion to question, the Board voted, and the resolution was unanimously approved.

On a motion made by Mr. Sykes and seconded by Mr. Guenther, the Board reviewed and discussed a resolution extending the Sales Tax Abatement Period for **the Narrowsburg Union Project** from July 1, 2022 through and including December 31, 2022. Chairperson Loughlin called the motion to question, the Board voted, and the resolution was unanimously approved.

On a motion made by Mr. Guenther, and seconded by Ms. Roig, the Board reviewed and discussed a resolution authorizing the amendment of the **Yasgur Road Productions, LLC Project** documents and authorizing the Agency to execute and deliver one or more mortgages in the original principal amount of not to exceed \$325,000.00 in favor of SW Legacy, LLC (or another affiliate of Bridge Capital Group LLC).

Chairperson Loughlin exited the meeting at approximately 11:21 AM.

Vice-Chair Sykes called the motion to question, the Board voted, and the resolution was approved as follows:

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
Carol Roig	<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 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
Sean Brooks	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Phillip Vallone	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

Mr. Guenther provided an update to the Board on the Food Hub.

VII. PUBLIC COMMENT AND ADJOURN

Vice-Chair Sykes asked those present for public comment. There was none. On a motion made by Mr. Guenther, and seconded by Mr. Smith, the meeting was adjourned at approximately 11:23 AM.

Respectfully submitted:

Julio Garaicoechea, Project Manager

##

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY**548 Broadway, Monticello, NY 12701****845-428-7575****SCHEDULE OF PAYMENTS: JULY 11, 2022**

No.	Vendor	Description	Amount
1	Allspring Global Investments	IRA Matching Contribution - J. Flad	\$ 3,000.00
2	AT&T Mobility	Cell Phone Service 6/21/22 - 7/20/22	\$ 91.13
3	Cardmember Services	Zoom, Adobe Acrobat	\$ 31.18
4	Catskill Cabin Care	Office Cleaning 11/7/21 - 5/29/22	\$ 1,850.00
5	Garigliano Law Offices	Retainer: July 2022	\$ 250.00
6	Garigliano Law Offices	Legal Fee re: Addenbrooke, LLC Project Termination (<i>pass-through</i>)	\$ 1,500.00
7	Kohl's Inc.	Return of Excess Project Termination Fees (<i>pass-through</i>)	\$ 24.00
8	New Southern Tier Title Agency LLC	Office Rent: August 2022	\$ 2,700.00
9	Sullivan County Democrat	Two- Year Subscription Renewal	\$ 133.00
10	Time Warner Cable	Telephone and Internet Service: July 2022	\$ 279.95
11	USDA Rural Development	RMAP Loan Repayment: July 2022	\$ 2,370.41
TOTAL			\$ 12,229.67

I certify that the payments listed above were audited by the Board of the IDA on July 11, 2022 and allowed in the amounts shown. You are hereby authorized and directed to pay each of the claimants in the amount opposite its name.

7/11/2022_____
Signature**Date****Expenses Approved and Paid Since Last Regular Meeting (6/13/22)**

No.	Vendor	Description	Amount
1	Agrarian Feast LLC	AgriBusiness Loan Drawdown #2	\$ 40,000.00
2	ASICS by WTM	Quickbooks Consulting 6/15/22	\$ 1,680.00
3	The Vintner Vault	SVG 26 LLC AgriBusiness Lease Equipment Procurement	\$ 1,468.17
TOTAL			\$ 43,148.17

Other Expenses and Items Paid Since Last Regular Meeting (6/13/22)—no approval required

No.	Vendor	Description	Amount
1	Payroll Expenses	Payroll Check Dates: 6/17/22, 7/1/22	\$ 15,998.90
TOTAL			\$ 15,998.90

ACTIVITY REPORT – JUNE 2022
COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY (IDA), SULLIVAN COUNTY
FUNDING CORPORATION (SCFC), THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL
DEVELOPMENT CORPORATION (TSCILDC)

July 5, 2022

At its regular monthly meeting on June 13th the IDA Board adopted a resolution approving the second quarter payment to the **Partnership for Economic Development in Sullivan County, Inc.**, in accordance with the IDA's agreement with the Partnership. The Board also authorized extensions of the sales tax abatement periods for two ongoing projects, **Doetsch Family I LLC and Doetsch Family II LLC** (Seminary Hill Cidery in the Town of Delaware), and **Rock Meadow Partners, LLC, Great Pine, LLC, and Naro Building, LLC** (Narrowsburg Union in the Town of Tusten). Finally, the Board authorized certain amendments to the IDA's existing agreements with **Yasgur Road Productions, LLC** (campground in the Town of Bethel) to allow for the construction of a wastewater treatment plant at the campground and authorize the execution and delivery of a mortgage to finance the completion of the project.

The Boards of the Sullivan County Funding Corporation (SCFC) and Sullivan County Infrastructure Local Development Corporation (TSCILDC) also met on June 13th to conduct routine business.

The SCFC held another special meeting on June 21st. At the meeting the Board discussed and adopted certain revisions to its **Millennium Revolving Loan Fund Guidelines**. The Board also approved the submittal of a **Corrective Action Plan** to the New York State Comptroller's Office, in response to that office's recent audit of the Millennium Revolving Loan Fund.

During June the IDA, FSH Lodge at Neversink, LLC and 7491 State Route 55 Property Co., LLC closed on the Agent and Project Agreement and related documents for the Lodge at Neversink project (the former New Age Health Spa). The closing on the lease/ leaseback transaction and PILOT is expected to take place in the coming weeks.

The July 11th IDA Board meeting will be held via Zoom, in accordance with Governor Hochul's June 14th executive order extending the remote meeting authorization through July 14th.

##

County of Sullivan IDA Balance Sheet Quarterly Report

ASSETS	12/31/2021	3/31/2022	6/30/2022
Current Assets			
Cash & Cash Equivalents	\$ 6,323,831.00	\$ 6,575,976.00	\$ 6,816,642.00
Revolving Loan & Lease Funds	\$ 1,007,227.00	\$ 1,157,405.00	\$ 975,320.00
Accounts Receivable	\$ 17,182.00	\$ 25,115.00	\$ 57,193.00
Prepaid Expenses	\$ 2,700.00	\$ 2,700.00	\$ 2,700.00
Notes Receivable- Current	<u>\$ 39,170.00</u>	<u>\$ 35,130.00</u>	<u>\$ 39,450.00</u>
Total Current Assets	<u>\$ 7,390,110.00</u>	<u>\$ 7,796,326.00</u>	<u>\$ 7,891,305.00</u>
Non Current Assets			
Notes Receivable	\$ 54,035.00	\$ 43,914.00	\$ 135,235.00
Capital Assets	<u>\$ 3,014,928.00</u>	<u>\$ 3,032,258.00</u>	<u>\$ 3,037,848.00</u>
Total Non Current Assets	<u>\$ 3,068,963.00</u>	<u>\$ 3,076,172.00</u>	<u>\$ 3,173,083.00</u>
TOTAL ASSETS	<u>\$ 10,459,073.00</u>	<u>\$ 10,872,498.00</u>	<u>\$ 11,064,388.00</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 18,924.00	\$ 43,173.00	\$ 24,035.00
Accured Payroll	\$ 4,109.00	\$ (155.00)	\$ 527.00
Unearned Revenue (Proj. Annual Lease Pmts)	\$ 195,750.00	\$ -	\$ -
Current Portion of Note Payable	<u>\$ 23,356.00</u>	<u>\$ 23,473.00</u>	<u>\$ 23,590.00</u>
Total Current Liabilities	\$ 242,139.00	\$ 66,491.00	\$ 48,152.00
Non Current Liabilities			
Note Payable	<u>\$ 242,406.00</u>	<u>\$ 237,448.00</u>	<u>\$ 229,926.00</u>
TOTAL LIABILITIES	<u>\$ 484,545.00</u>	<u>\$ 303,939.00</u>	<u>\$ 278,078.00</u>
TOTAL NET POSITION	<u>\$ 9,974,528.00</u>	<u>\$ 10,568,559.00</u>	<u>\$ 10,786,310.00</u>

*Restricted cash includes revolving loan and lease fund accounts.

The above balance sheet does not include sales tax escrows, project escrows, or PILOT escrows, which are shown below.

	12/31/2021	3/31/2022	6/30/2022
Sales Tax Escrow Funds	\$ 261,612.00	\$ 254,657.00	\$ 243,176.00
PILOT Escrow Funds	\$ 350,266.00	\$ 103,523.00	\$ 158,948.00
Project Escrow Funds	<u>\$ 63,077.00</u>	<u>\$ 73,077.00</u>	<u>\$ 83,077.00</u>
Total Escrow Funds Held by IDA:	<u>\$ 674,955.00</u>	<u>\$ 431,257.00</u>	<u>\$ 485,201.00</u>

*print date: 7/5/22
accrual basis*

County of Sullivan Industrial Development Agency Profit & Loss Budget vs. Actual

	2022				
	Jan-Mar 2022	Apr-Jun 2022	2022 YTD	2022 Budget	% of Budget
Ordinary Income/Expense					
Income					
4000 · Project Fees (one time)	\$ 65,391.00	\$ 395,014.00	\$ 460,405.00	\$ 50,000.00	920.81%
4002 · Agency Annual Fees	\$ 510,567.00	\$ 1,000.00	\$ 511,567.00	\$ 509,067.00	100.49%
4003 · Application Fees	\$ 750.00	\$ 1,000.00	\$ 1,750.00	\$ 2,000.00	87.50%
4004 · Interest Income-Bank & CD	\$ 850.00	\$ 853.00	\$ 1,703.00	\$ 4,500.00	37.84%
4005 · Interest Income- Loans	\$ 864.00	\$ 1,203.00	\$ 2,067.00	\$ 1,850.00	111.73%
4006 · Late Fee & Misc. Income	\$ 55.00	\$ 20.00	\$ 75.00	\$ 500.00	15.00%
4011 · Rental Income- Food Hub Bldg	\$ -	\$ -	\$ -	\$ -	0.00%
4013 · Farm Assistance RLF	\$ 39,225.00	\$ 28,738.00	\$ 67,963.00	\$ 151,900.00	44.74%
4022 · SCFC Mgt & Admin Svcs	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00	\$ 20,000.00	50.00%
4023 TSCILDC Mgt & Admin Svcs	\$ -	\$ -	\$ -	\$ 12,000.00	0.00%
Anticipated New Agency Fees	\$ -	\$ -	\$ -	\$ 5,000.00	0.00%
Total Income	\$ 622,702.00	\$ 432,828.00	\$ 1,055,530.00	\$ 756,817.00	139.47%
Gross Profit	\$ 622,702.00	\$ 432,828.00	\$ 1,055,530.00	\$ 756,817.00	139.47%
Expense					
6000 · Personnel **	\$ 50,670.00	\$ 54,602.00	\$ 105,272.00	\$ 267,000.00	39.43%
6001 · Promotion (SC Partnership)	\$ -	\$ 25,000.00	\$ 25,000.00	\$ 75,000.00	33.33%
6002 · Subscriptions	\$ 1,202.00	\$ 635.00	\$ 1,837.00	\$ 5,000.00	36.74%
6003 · Office Supplies & Misc. Exp.	\$ 1,804.00	\$ 2,719.00	\$ 4,523.00	\$ 15,000.00	30.15%
6003.1 · Non Reimb. Legal Fees	\$ 750.00	\$ 23,737.00	\$ 24,487.00	\$ 60,000.00	40.81%
6003.2 · Non Reimb. Accounting	\$ -	\$ 9,200.00	\$ 9,200.00	\$ 9,200.00	100.00%
6003.3 · Non Reimb. Consulting	\$ -	\$ 2,060.00	\$ 2,060.00	\$ 5,000.00	41.20%
6007 · Rent Expense	\$ 8,100.00	\$ 8,100.00	\$ 16,200.00	\$ 32,400.00	50.00%
6008 · Telephone/Fax/Computer	\$ 1,081.00	\$ 1,296.00	\$ 2,377.00	\$ 3,000.00	79.23%
6009 · Insurance	\$ 6,273.00	\$ -	\$ 6,273.00	\$ 15,000.00	41.82%
6010 · Postage	\$ 1,062.00	\$ 237.00	\$ 1,299.00	\$ 2,000.00	64.95%
6012.3 · Conferences & Seminars	\$ 145.00	\$ 150.00	\$ 295.00	\$ 2,000.00	14.75%
6035 Travel Expenses	\$ 16.00	\$ 209.00	\$ 225.00	\$ 2,500.00	9.00%
6012.4 · Storage	\$ -	\$ -	\$ -	\$ 2,400.00	0.00%
Equipment Purchases- In House	\$ -	\$ -	\$ -	\$ 1,000.00	0.00%
6011 Repairs & Maintenance	\$ -	\$ -	\$ -	\$ 250.00	0.00%
6012.6 · Dues	\$ 6,600.00	\$ -	\$ 6,600.00	\$ 6,650.00	99.25%
6017 · Advertising	\$ 57.00	\$ -	\$ 57.00	\$ 500.00	11.40%
6012.5 Credit Reports	\$ -	\$ -	\$ -	\$ 250.00	0.00%
6040 Expense Reserve	\$ -	\$ -	\$ -	\$ 3,000.00	0.00%
6019 · Ret'd Ck/Svc Chrg	\$ 50.00	\$ 65.00	\$ 115.00	\$ -	n/a
Total Expense	\$ 77,810.00	\$ 128,010.00	\$ 205,820.00	\$ 507,150.00	40.58%
Net Ordinary Income	\$ 544,892.00	\$ 304,818.00	\$ 849,710.00	\$ 249,667.00	
Net Income	\$ 544,892.00	\$ 304,818.00	\$ 849,710.00	\$ 249,667.00	

print date 7/5/22

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY
548 Broadway
Monticello, New York 12701
845-428-7575
APPLICATION FOR FINANCIAL ASSISTANCE

I. APPLICANT INFORMATION:

Company Name: NY Liberty II, LLC
Address: 140 East 45th Street, Suite 32B-1, New York, NY 10017
Phone No: 646-998-6495
Telefax: NA
Email Address: peter.dolgos@delawareriversolar.com
Fed Id No.: 87-1435651
Contact Person: Peter Dolgos - SVP NY Liberty II, LLC

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

Principal Owners (Shareholders/Members/Owners): NY DRS Finco II, LLC (100%)

Directors/Managers: NY DRS Finco II, LLC (Sole Member)

Officers: Richard Winter (CEO), John Tartaglia (President), Peter Dolgos (SVP)

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 1)
Date of organization: 6/29/2021
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: Law Office of Richard Chun, PLC
Address: 1225 Franklin Avenue, Suite 325, Garden City, NY 11530
Phone No.: 646-998-6403
Telefax No.: 917-591-9441
Email Address: rchun@rwc-legal.com

II. REQUESTED FINANCIAL ASSISTANCE

	<u>Estimated Value</u>
Real Property Tax Abatement (estimated)	<u>\$ 0</u>
Mortgage Tax Exemption	<u>\$ Not to Exceed \$30,000</u>
Sales and Use Tax Exemption	<u>\$ Not to Exceed \$50,000</u>
Issuance by the Agency of Tax Exempt Bonds	<u>\$ 0</u>

III. PROJECT INFORMATION

A.) Project Location:

Project Address: Harris Road, Liberty, NY 12734
Tax Map Number(s): 36.-1-121.3
Located in the Village of: -----
Located in Town of Liberty
Located in the School District of Liberty Central School District
Located in Hamlet of -----

(i) Are Utilities on Site?

Water/Sewer No Electric No
Gas No Storm Sewer No

(ii) Present legal owner of the site: Delaware River Solar Real Estate, LLC

If other than Applicant, by what means will the site be acquired for this Project:
NY Liberty II, LLC will lease the entire parcel (approximately 20 +/- acres) from the legal owner of the site, Delaware River Solar Real Estate, LLC

(iii) Zoning of Project Site: Current: Industrial Commercial Proposed: same

(iv) Are any variances needed: No

(v) Principal Use of Project upon completion: Generation of solar photovoltaic electricity to be distributed through the NYSEG electrical grid to NYSEG customers that are signed up with the Applicant's Community Solar Program.

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: NA

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: NA

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: Not Applicable

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: NA

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: NA

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? Yes No X If yes, please contact the Agency for additional information. NA

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.

The Project is an approximate 2MWac solar photovoltaic electricity generating facility that will be interconnected to the NYSEG electrical grid. The electricity generated by the array will be sold to NYSEG customers that enroll in the Applicant's Community Solar Program. The Project is a new build and will be comprised of (a) racking to mount the solar modules (such racking generally to be pile driven into the ground), (b) solar modules, (c) inverters and transformers to sit on a concrete inverter pad and (d) other electrical wiring and system components. Construction will take approximately three to four months. An Interconnection Agreement with NYSEG has been executed.

The Project is monitored remotely and there are no daily on-site personnel required. Regularly scheduled maintenance will occur at least semi-annually and will consist of (a) cleaning panels (no chemicals), (b) equipment servicing / replacement and (c) project site maintenance (mowing).

The Applicant and Town will enter into a Decommissioning Plan/Agreement that will set forth the details regarding the decommissioning steps and financial surety for removal of the solar facility.

G.) COSTS AND BENEFITS OF THE PROJECT

Costs = Financial Assistance

Estimated Sales Tax Exemption	\$ <u>not to exceed \$50k</u>
Estimated Mortgage Tax Exemption	\$ <u>not to exceed \$30k</u>
Estimated Property Tax Abatement	\$ <u>0</u>
Estimated Interest Savings IRB Issue	\$ <u>0</u>

Benefits = Economic Development

Jobs created	<u>20-25 (development and construction phase)</u>
Jobs retained	<u>3-4 (contracted work during operation, not full time)</u>
Private funds invested	<u>\$</u>
Other Benefits	<ul style="list-style-type: none"> - <u>Reduced energy cost to community solar subscribers</u> - <u>Tax revenue to Town of Liberty, Sullivan County and Liberty Central School District</u> - <u>Local job creation during development phase (surveyors, engineers, sales), construction phase (construction jobs) and operational phase (landscaping, maintenance)</u> - <u>Contribute to achieving renewable energy generation goals in NYS</u>

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

Construction:	<u>20-25</u>
Permanent:	<u>2-3 - remotely monitored, no daily on site personnel, these are not full-time jobs</u>
Retained (at current facility):	<u>0 - remotely monitored, no daily on-site personnel</u> Note: See further job creation description below.

Project Costs (Estimates)	
Land and Existing Buildings	<u>\$ (Leased)</u>
Soft Costs (5%)	<u>\$ 193,750</u>
Other	<u>\$ 3,681,250</u>
Total	<u>\$ 3,875,000</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. See attached Exhibit A

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

The projected number of fulltime equivalent jobs that would be retained and that would be created if the request for financial assistance is granted.

As indicated above, the Project is monitored remotely and there are no daily on-site personnel required. Regularly scheduled maintenance will occur semi-annually or annually and will consist of (a) cleaning the panels (no chemicals) and (b) equipment servicing/replacement. All jobs created during the 30-year operational phase will be on a contract basis (landscaping and maintenance) and will be locally sourced to the extent possible.

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

The Project is currently in the development phase and there are certain contracted jobs already created (surveying, engineering, sales). The construction phase is expected to be three to four months with a target of commencing construction in the 3rd/4th quarter of 2022. Contracted jobs (maintenance and landscaping) during the operational phase (30 years) would commence upon completion of the construction phase, which is expected to be 1st quarter of 2023.

- 2) 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.

As indicated above, all jobs created during the operational phase of the Project will be on an independent contractor basis.

- 3) 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).

Development Phase: 3-4

Construction Phase: 20-25

Operational Phase: 2-3

Note: The 2015 US Census estimate of the population of the Mid-Hudson Valley Region aged 18-64 is 1,433,386.

- 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

This solar photovoltaic project is within the NYSEG utility zone, which historically has lower electricity rates than other utilities (Central Hudson, Orange & Rockland, etc.). In order for the Applicant to offer electricity at a discount to the customers enrolled in the Applicant's Community Solar Program the revenue generated by the Project would be lower than comparable projects in other utility areas. This results in returns below generally expected market returns on a solar project which would cause both financing parties and investors to seek investment elsewhere. The financial assistance provided by the Agency in terms of tax relief will provide financing parties and investors certainty in PILOT payments that will alleviate some of their risk on a Project with returns that are below market average.

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, officer 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.

EXHIBIT A
Source of Funds

Sponsor Investment	375,000
Tax Equity Investment	1,125,000
Debt	2,150,000
Incentives (NYSERDA estimate)	225,000
Total Source of Funds	3,875,000

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.

NY LIBERTY II, LLC

Peter Dolgos
By: Peter Dolgos, SVP

Date: 4/4/22

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

Peter Dolgos, being first duly sworn, deposes and says:

1. That I am the SVP of NY Liberty II, 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.

Peter Dolgos
(NAME)

Subscribed and affirmed to me under penalties of perjury
this 4 day of March, 2022.

Juliana C. Marques
(Notary Public)

JULIANA C. MARQUES
Notary Public, State of New York
No. 01MA6338149
Qualified in New York County
Commission Expires March 7, 2024

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) NY Liberty II, LLC

By: Peter Dolgos

Name: Peter Dolgos

Title: Senior Vice President

Date: 4/6/22

Sworn to before me this
6th day of April, 2022.

Richard W. Chun
Notary Public

RICHARD W. CHUN
Notary Public, State of New York
No. 02CH6116187
Qualified in Nassau County
Commission Expires Sept. 20, 2024

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened on July 11, 2022 at 11:00 a.m. local time via videoconference as authorized by Chapter 417 of the Laws of 2021, which took effect on September 2, 2021 and was most recently amended on June 14, 2022.

The meeting was called to order by Chairperson Suzanne Loughlin, and, upon the roll being called, the following members of the Agency were:

	<u>PRESENT</u>	<u>ABSENT</u>
Suzanne Loughlin	[]	[]
Edward T. Sykes	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Philip Vallone	[]	[]

The following persons were also present:

Jennifer M. Flad, Executive Director

John W. Kiefer, Chief Executive Officer

Julio Garaicoechea, Project Manager

Walter F. Garigliano, General Counsel

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

Resolution No. _____ - 22

RESOLUTION OF THE AGENCY APPOINTING NY LIBERTY II, LLC ("COMPANY") AS ITS AGENT FOR THE PURPOSE OF CONSTRUCTING 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 A LEASE TO AGENCY ("LEASE"), LEASEBACK TO COMPANY ("LEASEBACK"), PAYMENT IN LIEU OF TAX AGREEMENT ("PILOT AGREEMENT") AND RELATED DOCUMENTS WITH RESPECT TO THE CONSTRUCTION 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 April 4, 2022, the Company presented an application to the Agency ("Application"), a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the construction of an approximately 2MWac solar photovoltaic electricity generating facility that will be interconnected to the NYSEG electrical grid ("Project"). The Project is new construction and will be comprised of (a) racking to mount the solar modules (such racking generally to be pile driven into the ground); (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 one (1) parcel of real estate consisting of approximately 20± acres on Harris Road, Town of Liberty ("Town"), County of Sullivan ("County"), State and a portion of Town tax map Section 36, Block 1, Lot 121.3 ("Land"); and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of constructing the Project; (ii) negotiate and enter into an Agent and Project Agreement, Lease, Leaseback and PILOT Agreement with the Company (collectively, the "Transaction Documents"); (iii) hold a leasehold interest in the Land and the improvements 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 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 less 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 given due consideration to the Application of the Company and to representations by the Company that the proposed financial assistance is an inducement to the Company to undertake the Project; and

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

- A. Permanent private sector job creation and retention;
- B. Estimated value of the tax exemption;

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

; and

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

WHEREAS, the Executive Director 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; and
- (B) An EAF.

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

- (A) The Project constitutes an Unlisted Action under the SEQR;
- (B) The Project will result in no major impacts and, therefore, is one which will not cause significant damage to the environment;
- (C) 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;
- (D) No “environmental impact statement” as such quoted term is defined in SEQR need be prepared for this action; and
 - (E) This determination constitutes a negative declaration for purposes of SEQR.

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 does not exceed the sum of \$100,000.00 and therefore the proposed action is not subject to a public hearing.

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

- (A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;
- (B) It is desirable and in the public interest for the Agency to (i) acquire a leasehold interest in the Land and improvements constituting the Project; (ii) appoint the Company as its agent for purposes of constructing the Project, and (iii) lease the Land and improvements constituting the Project to the Company pursuant to the Lease, subject to the Leaseback and the PILOT Agreement;
- (C) The Agency has the authority to take the actions contemplated therein under the Act; and
- (D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in the 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 Executive Director, the Agency hereby authorizes the Company to proceed with the construction of the Project and hereby appoints the Company as the true and lawful agent of the Agency to construct 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 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 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 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 the Project shall expire on December 31, 2022 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 \$625,000, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$50,000. 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 Executive Director 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 Community Distributed Generation Uniform Tax Exemption Policy.
- Section 9. The Chairperson, 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 Chairperson, Executive Director or Chief Executive Officer of the Agency shall approve, the execution thereof by the Chairperson, 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 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 13. 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:

Suzanne Loughlin	<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
Carol Roig	<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
Sean Brooks	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Philip Vallone	<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 Secretary of the Agency DO HEREBY CERTIFY THAT:

1. I have compared the foregoing copy of a resolution of the County of Sullivan Industrial Development Agency ("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 video conference call on July 11, 2022 at 11:00 a.m. at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
Suzanne Loughlin	[]	[]
Edward T. Sykes	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Philip Vallone	[]	[]

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

Suzanne Loughlin	[] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] Yes	[] No	[] Absent	[] Abstain
Scott Smith	[] Yes	[] No	[] Absent	[] Abstain
Paul Guenther	[] Yes	[] No	[] Absent	[] Abstain
Sean Brooks	[] Yes	[] No	[] Absent	[] Abstain
Philip Vallone	[] 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 videoconference as authorized by Chapter 417 of the Laws of 2021, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 11th day of July, 2022.

Carol Roig, Secretary

FOSTER SUPPLY

HOSPITALITY

PO Box 595, Youngsville, NY 12791 www.fostersupplyco.com office@fostersupplyco.com 845-439-0025

June 27, 2022

County of Sullivan Industrial Development Agency
548 Broadway
Monticello, New York 12701
Attn: Jennifer Flad, Executive Director

Re: FSH Lodge at Neversink, LLC and 7491 State Route 55 Property Co., LLC
("Lodge at Neversink") with County of Sullivan Industrial Development Agency
("Agency")
7491 State Route 55, Neversink, New York

Dear Jennifer:

Reference is made to the Commitment Letter from Walden Savings Bank, copy attached. A loan for the renovation and adaptive reuse of the former New Age Health Spa by the Lodge at Neversink has been approved in the original principal amount of \$7,738,498.

Please accept this letter to amend the Application to the Agency dated March 15, 2022 ("Application"). The Application was made prior to applying to Walden Savings Bank for financing.

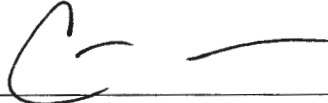
Please request the Agency consider adopting a resolution at its July 11, 2022 meeting to amend Resolution No. 15 of 2022, adopted April 11, 2022 to authorize the Agency to execute and deliver one or more mortgages (and related loan documents) in favor of Walden Savings Bank to secure a loan in the original principal amount not to exceed \$7,750,000.

Very truly yours,
FSH Lodge at Neversink, LLC
By: FSH Holding, LLC, its Sole Member



By: Corey Sims Foster, Manager

7491 State Route 55 Property Co., LLC
By: FSH Holding, LLC, its Sole Member



By: Corey Sims Foster, Manager

/sj

Enc.

cc: Suzanne Loughlin
William A. Frank, Esq.
Karl A. Bressler, Esq.

70324-056v3

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened on April 11, 2022 at 11:00 a.m. local time via videoconference as authorized by Chapter 417 of the Laws of 2021, which took effect on September 2, 2021 and was amended effective January 14, 2022 and further amended effective March 16, 2022.

The meeting was called to order by Chairperson Suzanne Loughlin, and, upon the roll being called, the following members of the Agency were:

	<u>PRESENT</u>	<u>ABSENT</u>
Suzanne Loughlin	[√]	[]
Edward T. Sykes	[√]	[]
Carol Roig	[√]	[]
Howard Siegel	[√]	[]
Scott Smith	[√]	[]
Paul Guenther	[√]	[]
Sean Brooks	[]	[√]

The following persons were also present:

Jennifer M. Flad, Executive Director

John W. Kiefer, Chief Executive Officer

Julio Garaicoechea, Project Manager

Walter F. Garigliano, General Counsel

William A. Frank, Special Transaction Counsel

The following resolution was duly offered by Edward T. Sykes, and seconded by Paul Guenther, to wit:

Resolution No. 15- 22

RESOLUTION OF THE AGENCY APPOINTING FSH LODGE AT NEVERSINK, LLC ("FSH LODGE") AND 7491 STATE ROUTE 55 PROPERTY CO., LLC ("7491 SR 55," TOGETHER WITH FSH LODGE, COLLECTIVELY, THE "COMPANY") AS ITS AGENT FOR THE PURPOSE OF ACQUIRING, 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 ACQUISITION, 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 March 15, 2022, the Company presented an application to the Agency ("Application"), a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the: (i) acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of nine (9) existing buildings aggregating approximately 30,000 +/- square feet, intended to be used as a wellness retreat including thirty-four (34) guest rooms, spa, restaurant and related amenities ("Buildings") situate on two (2) parcels of real estate consisting of approximately 229.5 +/- acres located at 7491 State Route 55 and Seeman Road, Town of Neversink ("Town"), County of Sullivan ("County"), State of New York and identified on the Town tax map as Section 30, Block 1, Lots 39.1 and 39.3 ("Land"); (ii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) construction of improvements to the Buildings, the Land and the Equipment (collectively, the Buildings, the Land and the Equipment are referred to as the "Project"); and (iv) lease of the Project from the Agency to the Company; and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of 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 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 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, which Agreement shall include language permitting the Company to seek enhanced benefits, in accordance with the Agency's recently amended Tourism Industry Program in the event that the Company or any entity acting on the Company's behalf, applies to the appropriate governmental authorities and receives all necessary approvals to develop, through construction or renovation, market rate workforce housing at a location at or within twenty-five (25) miles of the Project site, with said location to be determined at a future date, and such market rate workforce housing is actually developed; 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, the Agency determined that the Application which involves the adaptive reuse of the existing buildings is a Type II Action under SEQR and no further action is required; and

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

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

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

; and

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

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

WHEREAS, the Transaction Documents have been prepared by Agency Special Transaction 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 and

- (B) A Cost/Benefit Analysis relating to the proposed financial assistance.

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

- (A) The Project consists of the adaptive reuse of existing buildings;
- (B) The Project is a Type II action under SEQR 6 NYCRR 617.5(c)(2) and accordingly, no further action is needed; and
- (C) The Project qualifies for financial assistance under the Agency's Uniform Tax Abatement Policy.

A copy of this resolution, together with the attachments thereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

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 April 11, 2022 at 8:30 a.m., local time, in the Board Room at the Town of Neversink Town Hall, 273 Main Street, Grahamsville, New York at which hearing comments relating to the proposed financial assistance were solicited. Said public hearing was open to the general public and public notice of the time and place of said public hearing was duly given in accordance with the applicable provisions of the General Municipal Law of the State.

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

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

Section 5. Subject to the Company executing an Agent and Project Agreement in form and

substance approved by the Chief Executive Officer, the Agency hereby authorizes the Company to proceed with the acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency to acquire, 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 acquisition, 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 acquisition, 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 acquisition, 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 reconstruct and equip the Project shall expire on October 31, 2022 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 \$3,436,100, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$274,888. 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 Executive Director 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.

Section 9. The Chairperson, 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 Chairperson, Executive Director or Chief Executive Officer of the Agency shall approve, the execution thereof by the Chairperson, 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 question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows:

Suzanne Loughlin	<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
Carol Roig	<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 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
Sean Brooks	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Absent	<input type="checkbox"/> Abstain

The resolution was thereupon duly adopted.

STATE OF NEW YORK :
:SS
COUNTY OF SULLIVAN :

I, the undersigned Secretary of the Agency DO HEREBY CERTIFY THAT:

1. I have compared the foregoing copy of a resolution of the County of Sullivan Industrial Development Agency ("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 video conference call on April 11, 2022 at 11:00 a.m. at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
Suzanne Loughlin	[<input checked="" type="checkbox"/>]	[]
Edward T. Sykes	[<input checked="" type="checkbox"/>]	[]
Carol Roig	[<input checked="" type="checkbox"/>]	[]
Howard Siegel	[<input checked="" type="checkbox"/>]	[]
Scott Smith	[<input checked="" type="checkbox"/>]	[]
Paul Guenther	[<input checked="" type="checkbox"/>]	[]
Sean Brooks	[]	[<input checked="" type="checkbox"/>]

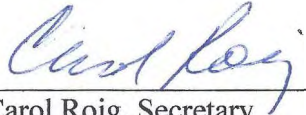
3. The question of the adoption of the foregoing resolution was duly put to a vote on roll call which resulted as follows:

Suzanne Loughlin	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[<input checked="" type="checkbox"/>] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[<input checked="" type="checkbox"/>] Yes	[] No	[] 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
Sean Brooks	[] Yes	[] No	[<input checked="" type="checkbox"/>] 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 videoconference as authorized by Chapter 417 of the Laws of 2021, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 11th day of April, 2022.



Carol Roig, Secretary

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on July 11, 2022 at 11:00 a.m. local time via videoconference as authorized by Chapter 417 of the Laws of 2021, which took effect on September 2, 2021 and was most recently amended on June 14, 2022.

The meeting was called to order by Chairperson Suzanne Loughlin, and, upon the roll being called, the following members of the Agency were:

	<u>PRESENT</u>	<u>ABSENT</u>
Suzanne Loughlin	[]	[]
Edward T. Sykes	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Philip Vallone	[]	[]

The following persons were also present:
Jennifer M. Flad, Executive Director
John W. Kiefer, Chief Executive Officer
Julio Garaicoechea, Project Manager
Walter F. Garigliano, General Counsel
William A. Frank, Special Transaction Counsel

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

Resolution No. ____ - 22

RESOLUTION OF THE AGENCY: I) AUTHORIZING ACCEPTANCE OF THE AMENDMENT OF THE APPLICATION FOR AGENCY BENEFITS DATED MARCH 15, 2022 SUBMITTED BY FSH LODGE AT NEVERSINK, LLC AND 7491 STATE ROUTE 55 PROPERTY CO., LLC, (COLLECTIVELY, THE “COMPANY”); II) AMENDING AGENCY RESOLUTION NO. 15-22 ADOPTED ON APRIL 11, 2022; III) AUTHORIZING AMENDMENT OF THE AGENT AND PROJECT AGREEMENT DATED JUNE 1, 2022; AND IV) AUTHORIZING EXECUTION AND DELIVERY OF ONE OR MORE MORTGAGES TO SECURE A LOAN FROM WALDEN SAVINGS BANK IN THE ORIGINAL AMOUNT NOT TO EXCEED \$7,750,000.00 RELATING TO THE COMPANY’S 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 March 15, 2022, the Company presented an application to the Agency ("Application"), a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the: (i) acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of nine (9) existing buildings aggregating approximately 30,000 +/- square feet, intended to be used as a wellness retreat including thirty-four (34) guest rooms, spa, restaurant and related amenities ("Buildings") situate on two (2) parcels of real estate consisting of approximately 229.5 +/- acres located at 7491 State Route 55 and Seeman Road, Town of Neversink ("Town"), County of Sullivan ("County"), State of New York and identified on the Town tax map as Section 30, Block 1, Lots 39.1 and 39.3 ("Land"); (ii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) construction of improvements to the Buildings, the Land and the Equipment (collectively, the Buildings, the Land and the Equipment are referred to as the "Project"); and (iv) lease of the Project from the Agency to the Company; and

WHEREAS, on or about April 11, 2022, by duly adopted Resolution No. 15-22, the Agency approved the Application and the Agency agreed to undertake the Project; and

WHEREAS, pursuant to Resolution No. 15-22, the Agency (i) designated the Company as its agent for the purpose of reconstructing, renovating, rehabilitating, installing and equipping the Project; (ii) negotiated and entered into an Agent and Project Agreement dated as of June 1, 2022; (iii) authorized the negotiation and entry into the Lease, the Leaseback and the PILOT Agreement with the Company (collectively with the Agent and Project Agreement, the "Transaction Documents"); (iv) agreed to hold a leasehold interest in the Land, the improvements and personal property thereon which constitute the Project; and (v) agreed to provide financial assistance to the Company in the form of (a) sales tax exemption for purchases related to the 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, which Agreement shall include language permitting the Company to seek enhanced benefits, in accordance with the Agency's recently amended Tourism Industry Program in the event that the Company or any entity acting on the Company's behalf, applies to the appropriate governmental authorities and receives all necessary approvals to construct market rate workforce housing at a location at or within twenty-five (25) miles of the Project site, with said location to be determined at a future date, and such market rate workforce housing is actually constructed; and (c) a mortgage tax exemption for financing related to the Project; and

WHEREAS, subsequent to the adoption of Agency Resolution No. 15-22, the Company made application to Walden Savings Bank ("Walden") for financing in connection with the Project and by Commitment Letter dated June 15, 2022, Walden agreed to loan FSH Holding, LLC for the benefit of the Project the sum of \$7,738,498.00 (the "Loan") in the form of a twelve month

construction phase of advances which will thereafter convert to permanent financing upon completion of the construction phase of the Project; and

WHEREAS, the Loan is conditioned upon, among other collateral, a first mortgage lien upon the Land, which is subject to the Lease and Leaseback; and

WHEREAS, the Agency desires to authorize execution of one or more mortgages and related documents in favor of Walden as security for the Loan; and

WHEREAS, Sections II and III(G) of the Application for Agency benefits both state that the requested mortgage recording tax exemption related to the lender financing component of the Project would not exceed \$68,000.00 and Paragraph 4(e) of the Agent and Project Agreement reflects the aforesaid mortgage recording tax exemption limit; and

WHEREAS, without an Agency exemption, the Sullivan County mortgage recording tax associated with the Loan would exceed the originally authorized exemption amount and may reach the sum of \$77,385.00 necessitating the amendment of: i) the Application; ii) Agency Resolution No. 15-22; and iii) the Agent and Project Agreement; and

WHEREAS, Paragraph 7(a) of the Agent and Project Agreement requires that all insurance policies to be procured and maintained by the Company in connection with the Project shall have deductible amounts not exceeding \$2,500.00; and

WHEREAS, the Company has requested that given the scope and size of the Project, it is reasonable for such policies to include deductible amounts not exceeding \$10,000.00 and the Agency is of the opinion that \$10,000.00 deductibles under such policies are acceptable; and

WHEREAS, given the overall benefits of the Project as set forth in the findings section of Resolution No. 15-22, the Agency has determined that it is in the public interest to (i) accept the amendment of the Application; ii) Amendment of the Agency Resolution No. 15-22; and iii) the Agent and Project Agreement to increase the originally authorized mortgage recording tax exemption limit and modify insurance deductibles.

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

Section 1. The Application is hereby deemed to be amended such that Sections II and III(G) thereof reflect a requested mortgage recording tax exemption amount not to exceed \$77,385.00 and that the remainder of said Application shall remain as originally submitted.

Section 2. Agency Resolution No. 15-22, which was duly adopted on April 11, 2022 shall be deemed to be amended to approve a mortgage recording tax exemption not to exceed \$77,385.00 and the remainder of said Resolution shall remain as originally adopted.

- Section 3. Paragraph 4(e) of the Agent and Project Agreement dated as of June 1, 2022 shall be amended to reflect that: i) the mortgage recording tax exemption associated with the Project shall not exceed \$77,385.00; and ii) all insurance policies to be procured and maintained by the Company in connection with the Project shall have deductible amounts not exceeding \$10,000.00; and the remainder of said agreement shall remain unchanged.
- Section 4. The Chairperson or Executive Director of the Agency, each acting individually, are hereby authorized, on behalf of the Agency, to execute and deliver one or more mortgages and related Loan documents in favor of Walden in an original principal amount not to exceed \$7,750,000.00, subject to review of the form and content of said documents by Special Transaction Counsel.
- 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 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. 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 7. The Executive Director or Counsel to the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company; and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.
- Section 8. A copy of this resolution, together with the attachments thereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.
- Section 9. 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:

Suzanne Loughlin	<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
Carol Roig	<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
Sean Brooks	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Philip Vallone	<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 Secretary of the Agency DO HEREBY CERTIFY THAT:

1. I have compared the foregoing copy of a resolution of the County of Sullivan Industrial Development Agency ("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 video conference call on July 11, 2022 at 11:00 a.m. at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
Suzanne Loughlin	[]	[]
Edward T. Sykes	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Philip Vallone	[]	[]

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

Suzanne Loughlin	[] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] Yes	[] No	[] Absent	[] Abstain
Scott Smith	[] Yes	[] No	[] Absent	[] Abstain
Paul Guenther	[] Yes	[] No	[] Absent	[] Abstain
Sean Brooks	[] Yes	[] No	[] Absent	[] Abstain
Philip Vallone	[] 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 videoconference as authorized by Chapter 417 of the Laws of 2021 as extended, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 11th day of July, 2022.

Carol Roig, Secretary

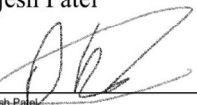
Catskill Hospitality LLC
16 Raceway Road
Monticello, NY 12701

7/3/2022
Board Of Directors
County of Sullivan IDA
548 Broadway, Monticello, NY 12701

RE: New York State Sales and tax Exemption Form
Request for 6 months extension

Ladies and Gentlemen of Board of Directors,
Please allow this letter to serve as a formal request for 6 months extension of our Sales and Use tax abatement letter currently expiring on 7/31/22.
The project has just completed and we received our letter of occupancy. We have some list from Hilton that requires ordering equipment but not limited to Dish washer, Freezer, some business center furniture, office furniture as a part of brand standards that we are planning to order within next couple of months.

Thank You
Brijesh Patel

X 
Brijesh Patel

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on July 11, 2022 at 11:00 a.m. local time via videoconference as authorized by Chapter 417 of the Laws of 2021, which took effect on September 2, 2021 and was most recently amended on June 14, 2022.

The meeting was called to order by Chairperson Suzanne Loughlin, and, upon roll being called, the following members of the Agency were:

	<u>PRESENT</u>	<u>ABSENT</u>
Suzanne Loughlin	[]	[]
Edward T. Sykes	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Philip Vallone	[]	[]

The following persons were also present:

Jennifer M. Flad, Executive Director
John W. Kiefer, 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. __ - 22

RESOLUTION EXTENDING THE SALES TAX ABATEMENT PERIOD FOR THE CATSKILL HOSPITALITY HOLDING LLC (“CATSKILL HOLDING”) AND CATSKILL HOSPITALITY OPERATING LLC (“CATSKILL OPERATING” TOGETHER WITH CATSKILL HOLDING COLLECTIVELY, THE “COMPANY”) PROJECT FROM AUGUST 1, 2022 THROUGH AND INCLUDING JANUARY 31, 2023

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 April 5, 2016, the Company presented an 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, 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 or about August 1, 2018, the Agency and the Company entered into an Amended and Restated Agent and Project Agreement pursuant to which the Agency designated the Company as agent of the Agency; and

WHEREAS, contemporaneously with the execution of the Amended and Restated Agent and Project Agreement, the Agency delivered to the Company a Sales Tax Exemption Letter, which letter expired on January 31, 2019; and

WHEREAS, the Agency, from time to time, previously extended the expiration date of the Sales Tax Exemption Letter so that the letter now in effect expires on July 31, 2022; and

WHEREAS, on or about July 3, 2022, the Company requested that the sales tax abatement period be extended for another six (6) months to expire on January 31, 2023 to continue equipping the Project.

NOW, THEREFORE, BE IT RESOLVED, that the sales tax abatement period for the Project be, and hereby is, extended through and including January 31, 2023.

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

Suzanne Loughlin	<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
Carol Roig	<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
Sean Brooks	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Philip Vallone	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

The resolution was thereupon duly adopted.