

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: December 7, 2022

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

Date: Monday, December 12, 2022
Time: 11:00 AM
Location: Legislative Committee Room, Sullivan County Government Center, 100 North Street, Monticello, New York 12701

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

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

SEE REVERSE FOR AGENDA

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

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AMENDED MEETING AGENDA

Monday, December 12, 2022

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MEETING MINUTES

November 14, 2022 Regular Meeting

IV. BILLS AND COMMUNICATIONS

V. STAFF ACTIVITY REPORT

VI. NEW BUSINESS

Resolution: Authorizing the Agency to Provide Funding to the Partnership for Economic Development in Sullivan County, Inc. for the Fourth Quarter of 2022

Resolution: Authorizing Extension of the Executive Employment Agreement with John W. Kiefer

Resolution: Extending the Sales Tax Abatement Period for the FSH Lodge at Neversink, LLC and 7491 State Route 55 Property Co., LLC Project from January 1, 2023 Through and Including June 30, 2023

Resolution: Extending the Sales Tax Abatement Period for the Doetsch Family I LLC & Doetsch Family II LLC Project from January 1, 2023 Through and Including June 30, 2023

Resolution: Authorizing an Omnibus Amendment to Project Documents Relating to the Frito-Lay, Inc. Project **(REVISED)**

Resolution: Amending Resolution No. 20-22 Which Appointed Fay Hospitality Catskills LLC as Agent of the Agency to Acquire, Construct, Reconstruct, Renovate, Rehabilitate, Install and Equip the Project

Resolution: Authorizing Execution and Delivery of One or More Mortgages to Secure a Loan from CorFinancial Corp., as Administrative Agent to Fay Hospitality Catskills LLC in the Original Principal Amount Not to Exceed \$21,900,000

Resolution: Appointing Mountain Kosher Grocery Corp. and 286 EB LLC as Agent of the Agency for the Purpose of Acquiring, Constructing, Reconstructing, Installing, and Equipping the Project; Making Certain Findings and Determinations; and Authorizing the Execution and Delivery of Project Documents

Resolution: Authorizing the Execution and Delivery of a Mortgage to Secure a Loan from Live Oak Banking Company to NY Mamakating I, LLC in the Original Principal Amount Not to Exceed \$7,675,000

Any and All Other Business Before the Board

VII. PUBLIC COMMENT AND ADJOURN

##

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

548 Broadway

Monticello, New York 12701

Tel: (845) 428-7575

Fax: (845) 428-7577

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www.sullivanida.com

MEETING MINUTES

Monday, November 14, 2022

I. CALL TO ORDER

Chairperson Suzanne Loughlin called to order the regular meeting of the County of Sullivan Industrial Development Agency at approximately 11:08 AM in the Legislative Committee Room at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

II. ROLL CALL

Members Present-

Suzanne Loughlin
Edward Sykes
Howard Siegel
Carol Roig
Scott Smith
Philip Vallone

Members Absent-

Paul Guenther* (By telephone)
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
Ken Walter

III. APPROVAL OF MEETING MINUTES

On a motion made by Mr. Sykes, and seconded by Ms. Roig, the Board approved the October 17, 2022 Regular Meeting minutes.

IV. BILLS AND COMMUNICATIONS

Ms. Flad presented the Board with a Revised Schedule of Payments showing 9 payments totaling \$18,578.87. On a motion made by Mr. Siegel, and seconded by Mr. Smith, the Board voted and the Revised Schedule of Payments was unanimously approved.

V. STAFF ACTIVITY REPORT

Ms. Flad presented the Staff Activity Report and added that an application has been received from Mountain Kosher Food Corporation, a proposed grocery store in the Town of Thompson. Ms. Flad noted

that the project may qualify under the Agency's Retail Uniform Tax Exempt Policy if certain additional restrictions are met.

VI. NEW BUSINESS

On a motion made by Mr. Vallone, and seconded by Mr. Siegel, the Board reviewed and discussed a resolution Amending Resolution 36-22 related to the Monticello Industrial Park LLC Project. Attorney Garigliano stated that the closing is scheduled for December 2, 2022 and this proposed resolution extends the time to close to accommodate the bank. 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 Ms. Roig, the Board reviewed and discussed a resolution extending the Sales Tax Abatement Period for the Psychedelic Solar LLC Project from December 1, 2022 through and including May 31, 2023. Attorney Garigliano stated that the project is delayed due to complexities related to its proximity to a landfill and supply chain issues. Chairperson Loughlin called the motion to question, the Board voted, and the resolution was unanimously approved.

Chairperson Loughlin updated the Board on discussions related to recommendations to amend the Uniform Tax Exempt Policy for Market Rate Workforce Housing. Ms. Flad stated that a preliminary discussion was held with outside counsel Susie Sohn, Esq. of Bluestein, Shapiro, Frank & Barone, LLP to develop a deed restriction for workforce housing. Attorney Garigliano stated that Ms. Sohn has significant experience in New York City with housing matters.

Ms. Flad requested the Agency open a new bank account to receive grant funds from USDA. On a motion made by Mr. Sykes, and seconded by Mr. Smith, the Board authorized opening a new account with the following signers: Chairperson Suzanne Loughlin, Treasurer Howard Siegel, Secretary Carol Roig, and CEO John Kiefer.

On a motion made by Mr. Smith, and seconded by Mr. Siegel, the Board entered into **Executive Session** to discuss the credit history of a particular corporation at approximately 11:17 AM.

On a motion made by Mr. Smith and seconded by Mr. Sykes the Board exited **Executive Session** at approximately 11:56 AM.

VII. PUBLIC COMMENT ADJOURNMENT

Chairperson Loughlin asked those for present for Public Comment. There was none. On a motion made by Mr. Vallone, and seconded by Ms. Roig the meeting was adjourned at approximately 11:57 AM.

Respectfully submitted:

Julio Garaicoechea, Project Manager

##

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

548 Broadway, Monticello, NY 12701

845-428-7575

SCHEDULE OF PAYMENTS: DECEMBER 12, 2022

No.	Vendor	Description	Amount
1	Cardmember Services	FedEx mailing; TSCILDC Domain Renewal (<i>pass-through</i>); 2023 Budget Filing Fee; Zoom; AT&T Mobility; Adobe	\$ 318.44
2	Charter Communications	Phone and Internet Service December 2022	\$ 279.95
3	Flad, Jennifer	4th Quarter 2022 Health Insurance Reimbursement	\$ 3,036.33
4	FP Mailing Solutions	Service Fee re: checking account closure	\$ 50.00
5	Garigliano Law Offices	Monthly Retainer: December 2022	\$ 250.00
6	Garigliano Law Offices	Extension of The Lodge at Neversink Sales Tax Exemption Period (<i>pass-through</i>)	\$ 250.00
7	Walter F. Garigliano, Esq.	Legal Services re: Veria Lifestyle Inc.	\$ 8,600.00
8	Harris Beach PLLC	Legal Services 2022 (conflicts of interest, audit responses, food hub)	\$ 2,106.00
9	Kristt Kelly Office Systems	Office Supplies	\$ 110.99
10	New Southern Tier Title Agency	Office Rent: January 2023	\$ 2,700.00
11	Shepstone Management Company, Inc.	Mountain Kosher Grocery Cost-Benefit Analysis	\$ 3,762.50
12	Sullivan County Democrat	Mountain Kosher Grocery Public Hearing Notice	\$ 93.57
13	Times Herald-Record	Digital Subscription (12 months)	\$ 95.88
14	USDA Rural Development	RMAP Loan Payment December 2022	\$ 2,370.41
TOTAL			\$ 24,024.07

I certify that the payments listed above were audited by the Board of the IDA on December 12, 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.

<div style="border-bottom: 1px solid black; width: 100%;"></div>	<u>12/12/2022</u>
Signature	Date

Expenses Approved and Paid Since Last Regular Meeting (11/14/22)			
No.	Vendor	Description	Amount
1	none		
TOTAL			\$ -

Other Expenses and Items Paid Since Last Regular Meeting (11/14/22)—no approval required			
No.	Vendor	Description	Amount
1	Payroll Expenses	Payroll Check Dates: 11/18/22, 12/2/22	\$ 16,737.81
2	FP Mailing Solutions	Postage for Postage Meter	\$ 136.96
TOTAL			\$ 16,874.77

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

December 5th, 2022

The IDA Board held its regular monthly meeting on November 14th. At the meeting, the Board authorized an extension of the timeframe for closing on the **Monticello Industrial Park LLC** project until December 31st, 2022. This project relates to the development of infrastructure on former landfill expansion parcel in the Village of Monticello. The Board also authorized a six-month extension of the sales tax abatement period for the **Psychedelic Solar LLC** project, relating to the construction of an approximately 2.7 MWAC solar photovoltaic electricity generating facility on Old White Lake Turnpike in the Town of Bethel, in accordance with the project documents.

On December 1st the Sullivan County Funding Corp. (SCFC) transferred title to the landfill expansion parcel to **Monticello Industrial Park LLC**. Ninety-nine percent of the net proceeds from this sale will be paid to the County of Sullivan. The IDA straight lease transaction documents with Monticello Industrial Park LLC were also executed on December 1st.

On Friday, December 9th at 9:00 AM at the Sullivan County Government Center, IDA will hold a public hearing relating to the proposed **Mountain Kosher Food Corp. and 286 EB LLC** project, for the demolition of an existing grocery store and construction of a new grocery store on East Broadway in the Village of Monticello.

The IDA and SCFC Boards will each meet on Monday, December 12th. The Governance Committees of IDA, SCFC, and The Sullivan County Infrastructure Local Development Corporation (TSCILDC) will also meet on this date to conduct their annual business.

IDA staff continues to request information from our projects, for use in calculating 2023 Payment in Lieu of Tax (PILOT) bills, and for submittal to New York State in accordance with Public Authorities Law. We are also working to gather information for the 2022 internal audits of IDA, SCFC, and TSCILDC.

##

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened on December 12, 2022 at 11:00 a.m. local time at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

The meeting was called to order by 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, Agency General Counsel

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

Resolution No. __ - 22

***RESOLUTION AUTHORIZING THE AGENCY TO PROVIDE FUNDING TO
THE PARTNERSHIP FOR ECONOMIC DEVELOPMENT IN SULLIVAN
COUNTY, INC. FOR THE FOURTH QUARTER OF 2022***

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

WHEREAS, since 1995, the Agency has contracted for services from the Partnership for Economic Development in Sullivan County, Inc. ("Partnership"); and

WHEREAS, at the Agency's meeting held on May 9, 2022, the Agency authorized execution of a First Amendment to Agreement ("First Amendment"), which amends the Agreement by and between the Agency and the Partnership dated January 1, 2021; and

WHEREAS, the Partnership and the Agency entered into the First Amendment effective May 9, 2022; and

WHEREAS, the Agency contemplates providing a payment for services to the Partnership for the fourth quarter of 2022 in the amount of TWENTY-FIVE THOUSAND AND 00/100 (\$25,000.00) Dollars.

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

Section 1. The Agency is hereby authorized to make a payment for services to the Partnership for the fourth calendar quarter of 2022 in the amount of TWENTY-FIVE THOUSAND AND 00/100 (\$25,000.00) Dollars.

Section 2. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments, documents, and to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or in the opinion of the officer, employee or agent acting on behalf of the Agency desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all the terms, covenants and provisions of the documents for and on behalf of the Agency.

Section 3. These resolutions shall take effect immediately.

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

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 in public session on December 12, 2022 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
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 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103(a) and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 12th day of December, 2022.

Carol Roig, Secretary

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened on December 12, 2022 at 11:00 a.m. local time at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

The meeting was called to order by 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, Agency General Counsel

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

Resolution No. __ - 22

RESOLUTION AUTHORIZING EXTENSION OF THE EXECUTIVE EMPLOYMENT AGREEMENT WITH JOHN W. KIEFER ("KIEFER")

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

WHEREAS, by Resolution No. 11-21, the Agency appointed Kiefer as its Chief Executive Officer and authorized the Agency's Chairperson to enter into an employment agreement with Kiefer for the period ending on December 31, 2022; and

WHEREAS, the Agency and Kiefer entered into an Executive Employment Agreement effective April 19, 2021 ("Employment Agreement"); and

WHEREAS, the Agency wishes to extend the term of the Employment Agreement to December 31, 2023.

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

Section 1. The Agency hereby authorizes its Chairman to enter into an Amendment of the Employment Agreement to extend the term thereof to December 31, 2023.

Section 2. Except for the extension of the term, the terms and conditions of the Employment Agreement for the calendar year 2022 shall apply to the extended term.

Section 3. These resolutions shall take effect immediately.

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

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 in public session on December 12, 2022 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
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 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103(a) and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 12th day of December, 2022.

Carol Roig, Secretary

From: [Ryan Foster](#)
To: [Jennifer Flad](#); [Julio Garaicoechea](#); [Christopher Monello](#)
Subject: Sales Tax Exemption Period Extension Request for FSH Lodge at Neversink, LLC / 7491 State Route 55 Property Co., LLC
Date: Monday, December 5, 2022 4:39:57 PM
Attachments: [FSH Lodge - Sales Tax Letter 06012022-12312022.pdf](#)

Caution: This is an external email and may be malicious. Please take care when clicking links or opening attachments.

Dear Jennifer,

This email is written with the purpose of requesting a six month extension of the sales tax exemption period ending December 31, 2022 for FSH Lodge at Neversink, LLC/ 7491 State Route 55 Property Co, LLC. The project is progressing nicely with Phase One of renovations (rooms buildings) finishing materially by the end of December 2022 and Phase Two (common area buildings) beginning in earnest in January of 2023. At this juncture, we anticipate completing the project in late Summer/ Early Fall of 2023. Thank you very much for considering this request and we wish everyone at the Sullivan IDA a very happy Holiday season!

Many thanks,
Ryan

Ryan Foster
Foster Supply Hospitality
ryan@fostersupplyco.com
www.fostersupplyco.com
845.699.3641

Escape to the Catskills

We're delivering meals to local families in need. Visit asinglebite.org to find out how you can help.

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on December 12, 2022 at 11:00 a.m. local time at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

The meeting was called to order by 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 FSH LODGE AT NEVERSINK, LLC (“FSH LODGE”) AND 7491 STATE ROUTE 55 PROPERTY CO., LLC (“7491 SR 55” AND TOGETHER WITH FSH LODGE, COLLECTIVELY REFERRED TO AS THE “COMPANY”) PROJECT FROM JANUARY 1, 2023 THROUGH AND INCLUDING JUNE 30, 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 or about August 1, 2022, the Agency closed a sale/leaseback transaction with the Company 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 June 1, 2022, the Agency and the Company entered into an Agent and Project Agreement (“Agent Agreement”) pursuant to which the Agency designated the Company as the Agent of the Project; and

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

WHEREAS, the current Sales Tax Exemption Letter shall expire on December 31, 2022; and

WHEREAS, on or about December 5, 2022, the Company requested that the sales tax abatement period be extended for another six (6) months to expire on June 30, 2023 to continue construction and equipping of the Project.

NOW, THEREFORE, BE IT RESOLVED, that the sales tax abatement period for the Project be, and hereby is, extended through and including June 30, 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.

From: [Doetsch, Douglas A.](#)
To: [Jennifer Flad](#)
Cc: [Julio Garaicoechea](#)
Subject: Re: Seminary Hill Ciders- IDA Sales Tax Exemption
Date: Wednesday, December 7, 2022 6:38:01 AM

Caution: This is an external email and may be malicious. Please take care when clicking links or opening attachments.

Jennifer,

Sorry not to get back to you yesterday. We would like to extend the sales/use tax abatement by another six months, for the same reasons stated in my previous extension note. We were unable to increase cider production as expected, but still intend to do so and will need the additional fermentation tanks and larger press described in my earlier note. (In contrast, we did expand our wedding catering business, and applied much of the last six months' of sales/use tax abatement to food preparation and cleanup equipment that we put to good use in wedding receptions that we catered on site at Seminary Hill.)

Please let me know if you need additional information.

Thanks,

Doug

Sent from my iPhone

On Dec 5, 2022, at 1:19 PM, Jennifer Flad <jflad@sullivanida.com> wrote:

CAUTION: External Email - Only click on contents you know are safe.

Good Afternoon Doug,

The IDA sales tax exemption letter for the Cidery project will expire on December 31, 2022. Do you need another six-month extension? If so, please send a request describing the work that remains to be done. For reference, the expiring sales tax letter and your most recent (May 2022) request are attached.

We have a Board meeting on Monday, December 12. If you can send the request by close of business tomorrow, I will put this on the meeting agenda.

Thank you,

Jennifer M. Flad
Executive Director
County of Sullivan Industrial Development Agency
548 Broadway
Monticello, New York 12701
tel: (845) 428-7575

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened on December 12, 2022 at 11:00 a.m. local time at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

The meeting was called to order by 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 DOETSCH FAMILY I LLC ("DOETSCH FAMILY I") AND DOETSCH FAMILY II LLC ("DOETSCH FAMILY II" TOGETHER WITH DOETSCH FAMILY I COLLECTIVELY, THE "COMPANY") PROJECT FROM JANUARY 1, 2023 THROUGH AND INCLUDING JUNE 30, 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 or about February 16, 2018, the Company presented an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the: (i) construction, installation and equipping of (a) an approximately 8,200 ± square foot building intended to be used as a cider production facility and

tasting room (“Building”); and (b) construction and equipping of a 1,500-1,800 square foot storage area for kegs, barrels, apples, etc. (“Storage Cave”) situate on one (1) parcel of real estate consisting of approximately 59.59 ± acres located at 51 Wagner Lane, Town of Delaware (“Town”), Callicoon, County of Sullivan (“County”), State and identified on the Town tax map as Section 12, Block 1, Lot 13.5 (“Land”); (ii) construction and equipping of the Building and Storage Cave; (iii) construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (iv) construction of improvements to the Building, the Storage Cave, the Land and the Equipment (collectively, the Building, the Storage Cave the Land and the Equipment are referred to as the “Facility” or the “Project”); and (v) lease of the Facility from the Agency to the Company; and

WHEREAS, on or about August 1, 2018, the Agency and the Company entered into an 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 Agent and Project Agreement, the Agency delivered to the Company a Sales Tax Exemption Letter, which expired on December 31, 2018; and

WHEREAS, the Agency, from time to time, previously extended the expiration date of the Sales Tax Exemption Letter; and

WHEREAS, on or about December 7, 2022, the Company requested that the sales tax abatement period be extended for another six (6) months to expire on June 30, 2023.

NOW, THEREFORE, BE IT RESOLVED, that the sales tax abatement period for the Project be, and hereby is, extended through and including June 30, 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.

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on December 12, 2022 at 11:00 a.m. local time at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

The meeting was called to order by 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, Agency General Counsel

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

Resolution No. __ - 22

RESOLUTION AUTHORIZING AN OMNIBUS AMENDMENT TO PROJECT DOCUMENTS RELATING TO THE FRITO-LAY, INC. 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 February 4, 2002, Ideal Snacks, Inc. (“Ideal Inc.”) applied to the Agency requesting the Agency assist in constructing and equipping an approximately 26,600± square foot expansion to its existing manufacturing facility situate on one (1) parcel of real property consisting of approximately 2.59± acres located at 89 Mill Street in the Village and Town of Liberty, County of Sullivan, State of New York and identified on the Town of Liberty tax map as Section 113, Block 3, Lot 1.1 and related facilities leased to the Agency and leased back to Ideal Inc. (“2002 Expansion”); and

WHEREAS, on or about February 19, 2002 the Agency adopted a Resolution appointing Ideal Inc. as Agent of the Agency for the purpose of constructing and equipping the 2002 Expansion; and

WHEREAS, on or about February 19, 2002 the Agency and Ideal Inc. entered into an Agent Agreement (“2002 Agent Agreement”), which 2002 Agent Agreement was amended on or about October 1, 2002, authorizing Ideal Inc. to act as the Agent of the Agency to construct and equip the 2002 Expansion; and

WHEREAS, on or about November 12, 2002, the Agency adopted a Resolution authorizing an increase in the floor area of the 2002 Expansion from 26,600± square feet to 29,400± square feet and authorizing the Agency to execute a Lease to Agency, Leaseback to Company Agreement, Payment in Lieu of Tax Agreement and related documents with respect to construction and equipping of the 2002 Expansion; and

WHEREAS, on or about August 1, 2003 Ideal Inc. and the Agency entered into a lease/leaseback transaction pursuant to which Ideal Inc. constructed and equipped the 2002 Expansion; and

WHEREAS, on or about December 1, 2003 Ideal Inc. and the Agency entered into a lease/leaseback transaction pursuant to which Ideal Inc. constructed and equipped a two (2) story manufacturing warehouse building to consist of approximately 104,600± square feet situate on three (3) parcels of real property consisting of approximately 3.96± acres located at 89 Mill Street in the Village and Town of Liberty, County of Sullivan, State of New York and identified on the Town of Liberty tax map as Section 113, Block 3, Lots 1.1, 2 and a portion of 5.1 and related facilities leased to the Agency and leased back to Ideal Inc. (“2003 Expansion”); and

WHEREAS, on or about December 1, 2004 Ideal Inc. and the Agency amended the 2002 Expansion and the 2003 Expansion to (i) include certain additional parcels of real property used in connection with the 2002 Expansion and the 2003 Expansion namely those parcels identified on the Town of Liberty tax map as Section 113, Block 2, Lot 2; Section 113, Block 2, Lot 3; Section 113, Block 1, Lot 10; and Section 23, Block 1, Lot 86; and (ii) update consistent with the Town of Liberty Assessor’s records parcels previously identified on the Town of Liberty tax map as a portion of Section 113, Block 3, Lot 5.1 and Section 113, Block 3, Lot 2 to Section 113, Block 3, Lot 5.3 (“2004 Expansion”); and

WHEREAS, on or about June 10, 2005 the Agency, Ideal Snacks Corporation (“Ideal Corp.”) and AmSouth Bank (“AmSouth”) entered into a certain Omnibus Amendment to Project Documents (“2005 Omnibus Amendment”) whereby the Agency (i) consented to a financing credit facility in an aggregate amount not to exceed \$24,000,000.00 to Ideal Corp. and AmSouth Bank (“AmSouth Loan”); (ii) granted a mortgage tax abatement relating to a mortgage in an amount not to exceed \$8,000,000.00; (iii) amended the 2002 Expansion, the 2003 Expansion and the 2004 Expansion; and (iii) authorized a consent to a change in ownership and control of 2002 Expansion, 2003 Expansion and 2004 Expansion from Ideal Inc. to Ideal Corp. (“2005 Expansion”); and

WHEREAS, on or about March 2, 2006, Ideal Corp. presented an application (“Application”) to the Agency whereby the Agency undertook a project consisting of the (i) construction and equipping of an approximately 1,700± square foot corridor connecting the 2002 Expansion and the 2003 Expansion intended to house an enrobing manufacturing line on one (1) parcel of real property located at 89 Mill Street in the Village and Town of Liberty, County of Sullivan, State of New York and identified on the Town of Liberty tax map as Section 113, Block 3, Lot 5.3 (“2006 Expansion” and together with the 2002 Expansion, the 2003 Expansion, the 2004 Expansion and the 2005 Expansion, the “Project”); and

WHEREAS, on or about March 22, 2006, the Agency and Ideal Corp. entered into a Second Omnibus Amendment to Project Documents (“2006 Omnibus Amendment”) to provide for the appointment of Ideal Corp. as agent of the Agency to construct and equip the 2006 Expansion and amend the 2002-2006 Project Documents (hereinafter defined) to (i) include the 2006 Expansion where appropriate; and (ii) increase to the Total Value Subject to PILOT (as defined in the PILOT Agreement) in the PILOT Agreement; and

WHEREAS, the Agency and Ideal Inc. or Ideal Corp. entered into certain agreements authorizing and facilitating the 2002 Expansion, 2003 Expansion, the 2004 Expansion, the 2005 Expansion and 2006 Expansion, which agreements include, but are not limited to the following:

Agent Agreement, dated as of February 19, 2002 by and between the Agency and Ideal Inc., as amended by that certain Amended Agent Agreement, dated October 1, 2002 and effective as of February 19, 2002 by and between the Agency and Ideal Inc. and as further, amended by the 2005 Omnibus Amendment and as further amended by the 2006 Omnibus Amendment;

Bill of Sale to Agency, dated as of August 1, 2003 by and between the Agency and Ideal Inc., as amended by the 2005 Omnibus Amendment (“2002 Expansion Agency Bill of Sale”) and as further amended by the 2006 Omnibus Amendment (“2006 Expansion Agency Bill of Sale”);

Bill of Sale to Company, dated as of August 1, 2003 by and between the Agency and Ideal Inc., as amended by the 2005 Omnibus Amendment (“2002 Expansion Company Bill of Sale”) and as further amended by the 2006 Omnibus Amendment (“2006 Expansion Company Bill of Sale”);

Lease to Agency, dated as of August 1, 2003 by and between the Agency and Ideal Inc. and memorandum thereof of even date therewith recorded with the Office of the Clerk of Sullivan County on August 3, 2003 in Liber 2616 at Page 433, as amended by the 2005 Omnibus Amendment (“2002 Expansion Lease to Agency”) and as further amended by the 2006 Omnibus Amendment (“2006 Expansion Lease to Agency”);

Leaseback to Company, dated as of August 1, 2003 by and between the Agency and Ideal Inc. and memorandum thereof of even date therewith recorded with the Office of the Clerk of Sullivan County on August 3, 2003 in Liber 2616 at Page 438, as amended by the 2005 Omnibus Amendment (“2002 Expansion Leaseback to Company”) and as further amended by the 2006 Omnibus Amendment (“2006 Expansion Leaseback to Company”);

Payment in Lieu of Tax Agreement, dated as of August 1, 2003 by and between the Agency and Ideal Inc., as amended and restated by that certain Amended and Restated Payment in Lieu of Tax Agreement, effective as of March 1, 2004 by and between the Agency and Ideal Inc., as further amended and restated by that certain Second Amended and Restated Payment in Lieu of Tax Agreement, dated as of December 1, 2004 by and between the Agency and Ideal Inc., as further amended by the 2005 Omnibus Amendment and as further amended by the 2006 Omnibus Amendment (collectively, the “PILOT Agreement”);

Agent Agreement, dated as of December 1, 2003 by and between the Agency and Ideal Inc., as amended and restated by that certain First Amended and Restated Agent Agreement, dated as of December 1, 2004, as further amended by the 2005 Omnibus Amendment and as further amended by the 2006 Omnibus Amendment (collectively, the “Agent Agreement”);

Bill of Sale to Agency, dated as of December 1, 2003 by and between the Agency and Ideal Inc., as amended by the 2005 Omnibus Amendment and as further amended by the 2006 Omnibus Amendment (“2006 Expansion Agency Bill of Sale”);

Bill of Sale to Company, dated as of December 1, 2003 by and between the Agency and Ideal Inc., as amended by the 2005 Omnibus Amendment and as further amended by the 2006 Omnibus Amendment (“2006 Expansion Company Bill of Sale”);

Lease to Agency, dated as of December 1, 2003 by and between the Agency and Ideal Inc. and memorandum thereof of even date therewith recorded with the Office of the Clerk of Sullivan County on January 20, 2004 in Liber 2705 at Page 92, as amended and restated by that certain First Amended and Restated Lease to Agency, dated as of December 1, 2004 by and between the Agency and Ideal Inc. and memorandum thereof of even date therewith recorded with the Office of the Clerk of Sullivan County December 30, 2004 in Liber 2895 at Page 15, as further amended by the 2005

Omnibus Amendment and as further amended by the 2006 Omnibus Amendment (“2006 Expansion Lease to Agency”);

Leaseback to Company, dated as of December 1, 2003 by and between the Agency and Ideal Inc. and memorandum thereof of even date therewith recorded with the Office of the Clerk of Sullivan County on January 20, 2004 in Liber 2705 at Page 116, as amended and restated by that certain First Amended and Restated Leaseback to Company, dated as of December 1, 2004 by and between the Agency and Ideal Inc. and memorandum thereof of even date therewith recorded with the Office of the Clerk of Sullivan County on December 30, 2004 in Liber 2895 at Page 36, as further amended by the 2005 Omnibus Amendment and as further amended by the 2006 Omnibus Amendment (“2006 Expansion Leaseback to Company”). Each of the foregoing documents are collectively referred to herein as the “2002-2006 Project Documents”.

WHEREAS, on September 13, 2011, the Agency adopted a resolution authorizing Ideal Corp. to obtain a loan from Sovereign Bank (“Sovereign”) in an amount not to exceed \$22,000,000 Dollars secured in part by a mortgage on the Project in the amount of \$8,000,000 Dollars; and

WHEREAS, on or about September 21, 2011, the AmSouth Loan was paid off making the 2005 Omnibus Amendment no longer relevant; and

WHEREAS, on or about September 21, 2011, the Agency and Ideal Corp. entered into a Third Omnibus Amendment to Project Documents (“2011 Omnibus Amendment”) to amend the 2002- 2006 Project Documents to provide that the Agency will endeavor to provide a copy of any notice which the Agency delivers to Ideal Corp. (as defined in the 2002-2006 Project Documents) under the Project Document to Sovereign; and

WHEREAS, on or about March 7, 2012 (and supplemented on October 22, 2012) Ideal Corp. presented applications to the Agency, copies of which are on file at the office of the Agency (collectively, “2012 Application”) requesting the Agency undertake an additional expansion project consisting of (i) the construction, installation and equipping of an approximately 41,000± square foot expansion (“2012 Expansion”); and (ii) lease to Agency of an additional parcel of real estate acquired for use in connection with the Pre-2012 Project, namely that parcel identified on the Town tax map as Section 113, Block 3, Lot 5.1 (“Bowling Alley Parcel”); and

WHEREAS, by resolutions duly adopted on March 27, 2012 and November 26, 2012 (“2012 Resolutions”), the Agency approved the project contemplated by the 2012 Application (“2012 Expansion”); and

WHEREAS, Ideal Corp. has (i) constructed, installed and equipped a two (2) story manufacturing warehouse building to consist of 41,000± square feet expansion (“2012 Building” and together with the First Expansion Building and the Second Expansion Building collectively, the “Building”) situate on one (1) parcel of real estate consisting of approximately 6.9± acres to

be located at 89 Mill Street in the Village, Town, County, State and identified on the tax map as Town Section 113, Block 3, Lot 5.1 ("2012 Land" and together with the Pre-2012 Land collectively, the "Land") and related facilities a leasehold interest in which the Agency is to acquire; (ii) acquired and installed thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("2012 Equipment" and together with the Second Expansion Equipment collectively, the "Equipment"); (iii) constructed improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the "2012 Project" and together with the Pre-2012 Project collectively, the "Project"); (iv) leased the 2012 Project to the Agency; and (v) the 2012 Project leased back from the Agency; and

WHEREAS, on or about February 1, 2013, Ideal Corp. and the Agency amended the 2002-2006 Project Documents to make provision for the 2012 Addition, by execution of the following documents:

- Second Amended and Restated Agent Agreement;
- Second Amended and Restated Lease to Agency;
- Second Amended and Restated Leaseback to Company;
- Bill of Sale to Agency;
- Bill of Sale to Ideal Corp.; and

Third Amended and Restated Payment in Lieu of Tax Agreement (the "2012 Project Documents" and together with the 2002-2006 Project Documents and the 2011 Omnibus Amendment, the "Ideal Project Documents"); and

WHEREAS, on or about June 9, 2015, Permira, an international private equity firm, announced that a company backed by Permira (the "Permira Backed Company") entered into a definitive agreement to acquire Ideal Corp. and Medora Snacks, LLC ("Medora"); and

WHEREAS, on or about July 1, 2015, Ideal Corp. and Medora were acquired by the Permira Backed Company with Medora and Ideal Corp. combined under a single holding company called BFY Holdings I, LLC ("BFY Holding"); and

WHEREAS, on or about February 28, 2020, Frito-Lay acquired indirect beneficial ownership of BFY Holding via a merger with BFY Brands, Inc.; and

WHEREAS, Ideal Corp. merged into Ideal Snacks Holding Corporation at 9:06 a.m. on December 18, 2020; and

WHEREAS, Ideal Snacks Holding Corporation merged into BFY Acquisition Sub, Inc. at 9:07 a.m. on December 18, 2020; and

WHEREAS, BFY Acquisition Sub Inc. converted to a Delaware LLC called BFY Acquisition Sub, LLC on December 21, 2020; and

WHEREAS, BFY Acquisition Sub, LLC merged into Frito-Lay on December 23, 2020 and following this merger, Frito-Lay became the successor to Ideal Corp. as a counterparty to the Agency; and

WHEREAS, the Agency and Frito-Lay entered into the following documents, effective as of December 23, 2020:

- a) Lease to Agency (“Lease”)
- b) Leaseback to Company (“Leaseback”); and
- c) PILOT Agreement (“2020 PILOT”); and

WHEREAS, Frito-Lay has undertaken and substantially completed the construction of exterior improvements to the Project, including parking lots, access roads, fences and gates and drainage structures (collectively, the “Exterior Improvements”); and

WHEREAS, Frito-Lay is presently constructing an approximately ten thousand (10,000) square foot building to enhance working conditions for persons employed at the Project (the “Associates Support Facility”), which will not be completed until after March 1, 2023; and

WHEREAS, Frito-Lay and the Agency wish to amend the description of the Project to include the Exterior Improvements and the Associates Support Facility; and

WHEREAS, the 2020 PILOT and prior PILOT Agreements for the Project include a reference to the Empire Zone and the Project is no longer receiving any Empire Zone benefits; and

WHEREAS, Frito-Lay and the Agency wish to amend the 2020 PILOT to eliminate the separate calculation of the PILOT Payment inside and outside of an Empire Zone and to provide for the 2022 PILOT Payment due date to be February 1, 2023; and

WHEREAS, Frito-Lay and the Agency wish to amend the 2020 PILOT to increase the Total Value Subject to PILOT (“TVSP”) to include the agreed value of the Exterior Improvements for the PILOT Payment due February 1, 2023; and

WHEREAS, Frito-Lay has notified the Agency that it wishes to terminate the Project on February 15, 2023.

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

Section 1. The Chairperson or Executive Director, either acting individually, is hereby authorized on behalf of the Agency, to execute and deliver an Omnibus Amendment to Project Documents (“Omnibus Amendment”) to include the Exterior Improvements in the Project description.

Section 2. The Omnibus Amendment shall amend Section 2 and 3 of the 2020 PILOT to change the due date of the 2023 PILOT Payment to February 1, 2023 and to increase the TVSP to include the agreed value of the Exterior Improvements for the PILOT Payment due February 1, 2023.

Section 3. The Chairperson or Executive Director, either acting individually, is hereby authorized on behalf of the Agency, to execute and deliver a Project Termination Agreement effective February 15, 2023.

Section 4. 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 5. 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 6. 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 7. This resolution shall take effect immediately.

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

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 in public session on December 12, 2022 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
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 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103(a) and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 12th day of December, 2022.

Carol Roig, Secretary

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on December 12, 2022 at 11:00 a.m. local time at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

The meeting was called to order by 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, Agency General Counsel

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

Resolution No. __ - 22

RESOLUTION AMENDING RESOLUTION NO. 20-22 WHICH APPOINTED FAY HOSPITALITY CATSKILLS LLC (“COMPANY”) AS ITS AGENT TO ACQUIRE, CONSTRUCT, RECONSTRUCT, RENOVATE, REHABILITATE, INSTALL AND EQUIP THE PROJECT ON BEHALF OF THE AGENCY

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, by Resolution No. 20-22 adopted on May 16, 2022, the Agency appointed the Company at its agent to acquire, construct, reconstruct, renovate, rehabilitate, install and equip the

Project on behalf of the Agency (“Project”). All capitalized terms not herein defined shall have the respective meaning ascribed thereto in Resolution No. 20-22; and

WHEREAS, the appointment of the Company as agent of the Agency expired on November 30, 2022; and

WHEREAS, the Company has requested and the Agency is willing to extend the appointment of the Company as agent of the Agency to January 31, 2023.

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

Section 1. The appointment of the Company as agent of the Agency to acquire, construct, reconstruct, renovate, rehabilitate, install and equip the Project is hereby extended. The appointment of the Company as agent of the Agency shall expire on January 31, 2023, if Transaction Documents have not been executed and delivered.

Section 2. 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 3. 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 4. 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 in public session on December 12, 2022 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
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 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103(a) and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 12th day of December, 2022.

Carol Roig, Secretary

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on December 12, 2022 at 11:00 a.m. local time at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

The meeting was called to order by 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, Agency General Counsel

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

Resolution No. __ - 22

*RESOLUTION AUTHORIZING EXECUTION AND DELIVERY OF ONE OR MORE
MORTGAGES TO SECURE A LOAN FROM CORFINANCIAL CORP, AS
ADMINISTRATIVE AGENT TO FAY HOSPITALITY CATSKILLS LLC (“COMPANY”)
IN THE ORIGINAL PRINCIPAL AMOUNT NOT TO EXCEED \$21,900,000*

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, by Resolution No. 20-22, adopted May 16, 2022, the Agency appointed the Company at its agent to acquire, construct, reconstruct, renovate, rehabilitate, install and equip the

Project on behalf of the Agency (“Project”). All capitalized terms not herein defined shall have the respective meaning ascribed thereto in the Resolution; and

WHEREAS, by Resolution __-22, adopted December 12, 2022, the Agency extended the appointment of the Company as its agent to January 31, 2023; and

WHEREAS, funds necessary to complete the Project will in part be provided by a loan from CORFinancial Corp., as administrative agent (“Lender”) in an original principal amount not to exceed \$21,900,000; and

WHEREAS, security for the Loan shall include, among other security, a mortgage on the Land; and

WHEREAS, the Agency holds a leasehold interest in the Land and Project; and

WHEREAS, the Lender requires the Agency to execute for the benefit of the Lender, a Building Loan Fee and Leasehold Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing and a Project Loan Fee and Leasehold Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing, together with such other documents as the Lender may reasonably require; and

WHEREAS, the Agency desires to authorize its Chairperson or Executive Director, each acting individually, to execute one or more mortgages and any related documents in favor of Lender as security for the Loan.

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

Section 1. 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 in favor of Lender in an original principal amount not to exceed \$21,900,000.

Section 2. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 3. 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 in public session on December 12, 2022 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
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 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103(a) and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 12th day of December, 2022.

Carol Roig, Secretary

Connell Foley LLP
875 Third Avenue
21st Floor
New York, NY 10022
P 212.307.3700 F 212.542.3790

George C. D. Duke
Partner
Direct Dial 212.542.3772
GDuke@connellfoley.com

November 10, 2022

Ms. Suzanne Loughlin, Chairperson and Member of the Board of Directors
Walter Garigliano, Esq., Agency Counsel
Jennifer Flad, Executive Director
County of Sullivan Industrial Development Agency
548 Broadway
Monticello, New York 12701

RE: Mountain Kosher Food Corp. and 286 EB LLC
286 East Broadway, Monticello, NY 12701
Tax Parcel SBL 113-4-3 (the "Property")

Dear Chairperson Loughlin, Mr. Garigliano, Ms. Flad and Members of the Board of Directors:

This office represents Mountain Kosher Food Corp. ("Mountain Kosher") and 286 EB LLC ("286 EB") (collectively, the "Applicants"). 286 EB owns the above-referenced Property, upon which sits a longstanding ethnic supermarket, Mountain Kosher, which is located in a highly distressed area of Sullivan County. Mountain Kosher is a deep discount supermarket, operating on the Property for 17 years. Operations were previously expanded in 2015 to its current size of 11,500 sq feet. Operations, operational needs, and market demand have outgrown the existing building and thus require the construction of a new modern supermarket on the Property. The Applicants plan to demolish the existing market and construct a new 27,000 sq. foot steel-framed one story building that will incorporate a large discount supermarket and accessory warehousing (the "Project").

While the current market is principally a seasonal supermarket serving summer residents, the new supermarket building will be 'winterized'. The market will still focus on seasonal demand, however, the winterization of the building will also allow limited year-round shopping in anticipation of increased overall market demand.

The Applicants, based on market analysis, believe that Mountain Kosher is well positioned to maintain its market penetration and capture an increased market share if it implements the right

combination of capital investment and financial assistance. As a further inducement to expand its investment in this highly distressed area of Sullivan County, the Applicants desire to enter into agreements with the County of Sullivan Industrial Development Agency ("CSIDA") to assist with its financing, demolition of the existing market and construction of the new market to retain and ultimately expand its discount ethnic fresh food products and create new employment opportunities. To this end, the Applicants plan to invest approximately \$8M in the Project. The financial assistance requested from CSIDA is anticipated to be provided pursuant to its Retail Sales Program, and may include a limited real estate tax abatement, a sales and use tax exemption, and mortgage recording tax exemption (the "Financial Assistance").

The specifics of the Financial Assistance requested are set forth more particularly in the attached application (the "Application"). In support of the Application, we bring the Agency's attention to the following:

1. The Project Purpose – The predominant purpose of the Project will be to make available fresh ethnic foods at discounted prices. These foods would not otherwise be reasonably accessible to the residents of Monticello.

2. The Project Location – The Project is located within a highly distressed area of Sullivan County. It is anticipated that this necessary investment will lead to significant additional direct and indirect investments in the local economy.

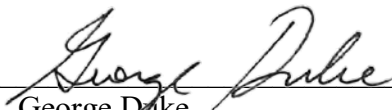
3. Job Creation – The Project is expected to retain the existing workforce of approximately 50 full time seasonal employees and add approximately three full time year-round employees. In addition, approximately 15 temporary construction jobs are anticipated. The jobs retained will continue to benefit the region. More detail is provided on the Application.

The Applicants have already submitted two checks to CSIDA, one covering a \$250.00 application fee and the second covering a \$5,000 up-front escrow deposit.

We look forward to working with you on this Application. Should you require additional information, please do not hesitate to contact me.

Very truly yours,

CONNELL FOLEY LLP

By: 
George Duke

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

I. A. APPLICANT INFORMATION:

Company Name: Mountain Kosher Food Corp.

Address: 286 East Broadway, Monticello, NY 12761 Mailing Address: 1179 E. 17 Street, Brooklyn, NY 11230

Phone No.: 845-794-4600

Telefax No.: 845-794-5918

Email Address: Office.mountainfood@gmail.com myn@krmkollel.com

Fed Id. No.: 20-4802555

Contact Person: Gerald "Moish" Neiman

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

Principal Owners (Shareholders/Members/Owners): Gerald Neiman, President, 60%
David Itzkowitz, 40%

Directors/Managers: _____

Officers: _____

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

Form of Entity:

☒ Corporation (Sub-s)

Date of incorporation: May, 2006

State of incorporation: NY

☐ 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 _____)

Date of organization: _____
State of organization: _____

_____ 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.)

B. APPLICANT INFORMATION:

Company Name: 286 EB LLC

Address: Mailing Address: 1179 E. 17 Street, Brooklyn, NY 11230

Phone No.: 917-693-5563

Telefax No.: _____

Email Address: myn@krmkollel.com

Fed Id. No.: 83-1473523

Contact Person: Gerald "Moish" Neiman

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

Principal Owners (Shareholders/Members/Owners): Gerald "Moish" Neiman, President, 60%
David Itzkowitz, 40%

Directors/Managers: same as owners

Officers: same as owners

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 _____)

Date of organization: _____ 2018
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: _____ Connell Foley LLP, c/o George Duke
Address: _____ 875 Third Avenue, 21st Floor, New York, NY 10022
Phone No.: _____ 212-542-3772
Telefax No.: _____
Email Address: _____ gduke@connellfoley.com

II. REQUESTED FINANCIAL ASSISTANCE

Estimated Value

Real Property Tax Abatement (estimated)	\$ <u>TBD</u>
Mortgage Tax Exemption	\$ <u>50,000</u>
Sales and Use Tax Exemption	\$ <u>307,000</u>
Issuance by the Agency of Tax Exempt Bonds	\$ <u>N/A</u>

III. PROJECT INFORMATION

A.) Project Location:

Project Address: 286 East Broadway, Monticello, NY 12701
Tax Map Number(s): 113-4-3
Located in the Village of: Monticello
Located in Town of Thompson
Located in the School District of Monticello
Located in Hamlet of N/A

(i) Are Utilities on Site?

Water/Sewer ✓ Electric ✓
Gas currently being installed Storm Sewer ✓

(ii) Present legal owner of the site: 286 EB LLC

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

(iii) Zoning of Project Site: Current: EBV Proposed: EBV

(iv) Are any variances needed: No

(v) Principal Use of Project upon completion: Fresh food supermarket specializing in ethnic foods.

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:

N/A

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:

N/A

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

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

N/A

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:

N/A

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; If yes, please contact the Agency for additional information.

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

See Attachment A

G.) COSTS AND BENEFITS OF THE PROJECT

Costs = Financial Assistance

Estimated Sales Tax Exemption	\$ <u>307,000</u>
Estimated Mortgage Tax Exemption	\$ <u>50,000</u>
Estimated Property Tax Abatement	\$ <u>TBD</u>
Estimated Interest Savings IRB Issue	\$ <u>N/A</u>

Benefits= Economic Development

Jobs created	\$ <u>3</u> year round FTE
Jobs retained	\$ <u>50</u> seasonal and 3 year round FTE jobs
Private funds invested	\$ <u>8,000,000</u>
Other Benefits	\$ _____

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

Construction:	<u>15</u>
Permanent:	<u>3 year round FTE and 50 seasonal FTE</u>
Retained (at current facility):	<u>3 year round FTE and 50 seasonal FTE</u>

Project Costs (Estimates)	
Land and Existing Buildings	<u>\$ 7,150,000</u>
Soft Costs (5%)	<u>\$350,000</u>
Other	<u>\$ 500,000</u>
Total	<u>\$ 8,000,000</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.

Applicants are currently in the process of securing a \$5 million loan from Signature Bank.
The remaining project costs will be financed by the applicants and the cash flow from the existing business.

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

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

50 seasonal FTE jobs
3 year round FTE jobs

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

Immediately upon completion of construction, which is anticipated in the summer of 2023.

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

\$600-\$1300 weekly salary.

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

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

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 _____
IDA benefits are essential to enable completion of this Project.

IV. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

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

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

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

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

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

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

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

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

(APPLICANT)

By: (NAME, TITLE)

Date: 10/28/22

(APPLICANT)

By: (NAME, TITLE)

Date: 10/28/22

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

Neiman Gerald ^{KINGS}, being first duly sworn, deposes and says:

1. That I am the President of 286 EB LLC ^{Mountain Koster Food Corp} (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.

Gerald Neiman
(NAME)

Subscribed and affirmed to me under penalties of perjury
this 28 day of October, 2022

[Signature]
(Notary Public)

MOSHE BADALOV
NOTARY PUBLIC, State of New York
No. 01BA6167968
Qualified in Kings County
Commission Expires June 4, 20

23

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)

Gerald Neiman
By: (NAME, TITLE)

Date: 10/28/22

(APPLICANT)

Gerald Neiman
By: (NAME, TITLE)

Date: 10/28/22

Sworn to before me this
28 day of October, 2022
[Signature]
Notary Public

Exhibit A

Project Description

The Project is the expansion of a longstanding supermarket, Mountain Kosher Food Corp., located at 286 East Broadway in Monticello, which is located in a highly distressed area of Sullivan County. Mountain Kosher Food Corp. is a deep discount supermarket, operating at the above address for 17 years. Operations were previously expanded in 2015 to its current size of 11,500 sq feet. Operations, operational needs, and market demand have outgrown the existing building and thus require the construction of a new modern supermarket on the property. While this new market is going to provide essential goods to the local community, the anticipated benefits offered under the County of Sullivan Industrial Development Agency are essential to its successful completion.

The new supermarket will include the construction of a new 27,000 sq. foot steel-framed one story building which will incorporate a large discount supermarket and accessory warehousing (the “Project”).

While the current market is principally a seasonal supermarket serving summer residents, the new supermarket building will be ‘winterized’ to allow limited year-round shopping in anticipation of increased market demand.

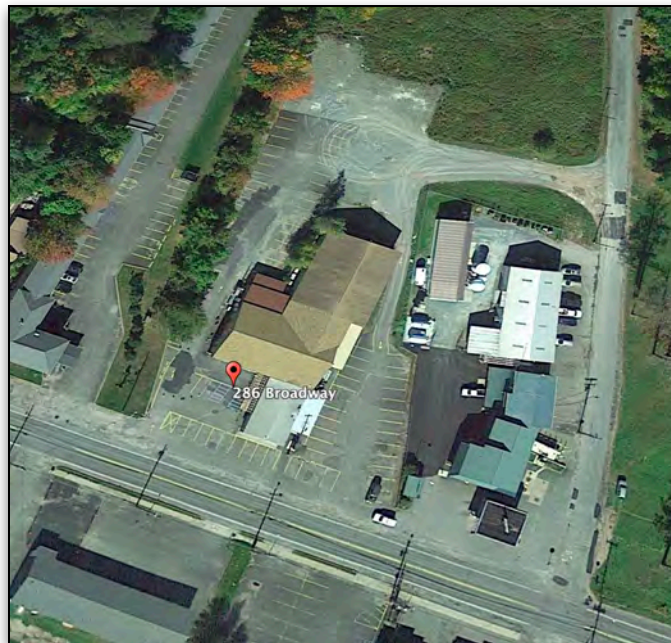
The Project is anticipated to create up to 15 construction jobs during the development phase. Due to the winterization of the new market building, the 50 seasonal jobs will be retained and three full time jobs are anticipated to be created on a year-round basis.

The proposed Project will provide a significant public benefit and be advantageous to the community as it will increase the availability of quality low-priced groceries, fresh produce, and meats.

Mountain Kosher Food Corp. / 286 EB LLC

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

Mountain Kosher Supermarket



Benefit/Cost Analysis

Prepared by:

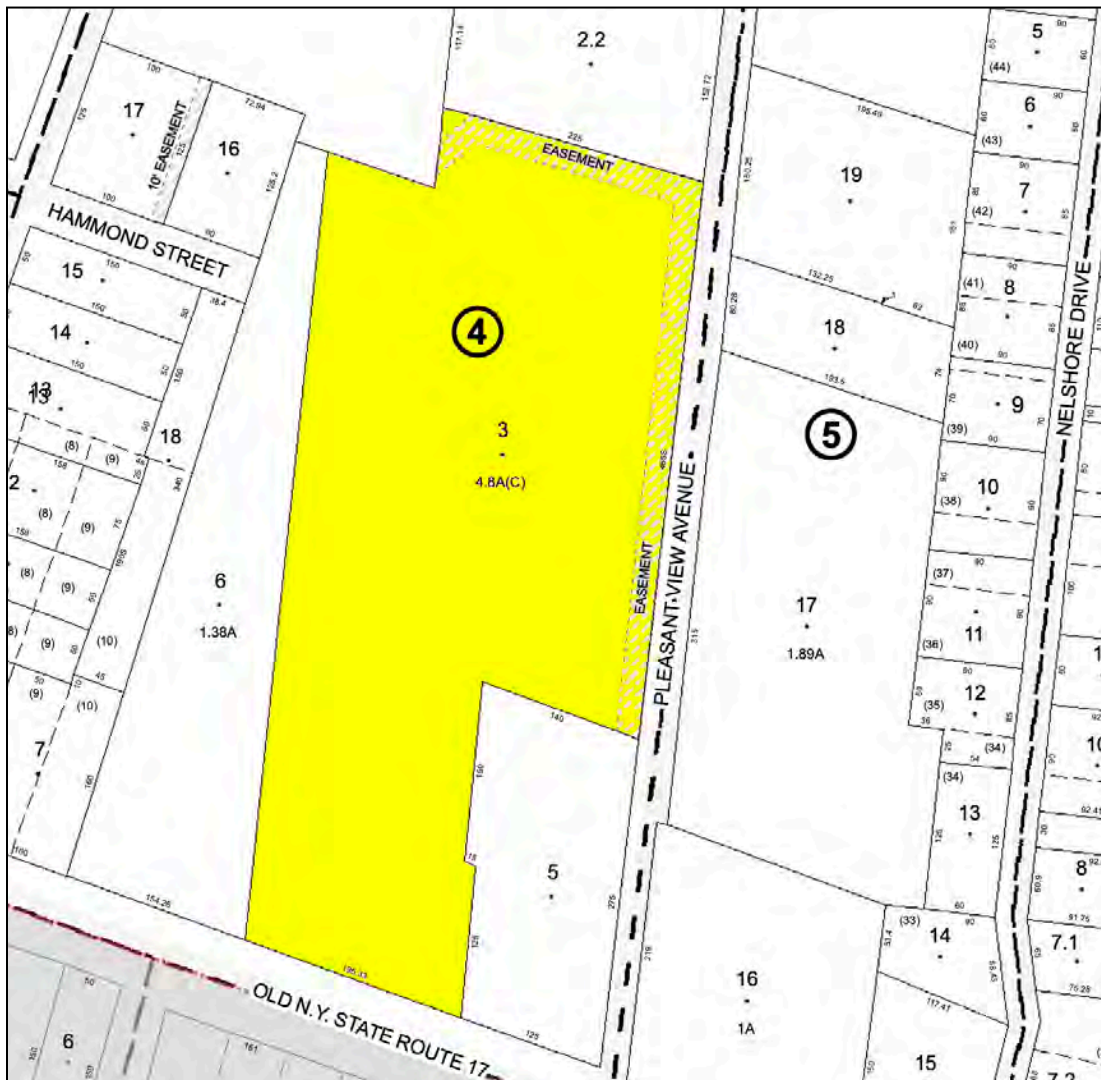
Shepstone Management Company, Inc.
Planning & Research Consultants
100 Fourth Street Honesdale, PA 18431
(570) 251-9550 FAX 251-9551
www.shepstone.net
mail@shepstone.net

November, 2022

Mountain Kosher Food Corp. / 286 EB LLC Benefit/Cost Analysis

Background:

Mountain Kosher Food Corp., together with 286 EB LLC, has applied for financial assistance to demolish an existing 11,500 square foot food market and construct a new 27,000 square feet steel-framed building that will include a new supermarket and accessory warehousing on 4.8 acres of land (Parcel 113-4-3) in the Village of Monticello, Town of Thompson.



Mountain Kosher Food Corp. / 286 EB LLC

Benefit/Cost Analysis

The project involves an applicant estimated \$5,900,000 in costs related to construction of real property improvements. An estimated 65% or \$3,835,000 will be spent on otherwise sales-taxable material purchases. There is expected to be a \$5,000,000 mortgage associated with the project. Mountain Kosher Food Corp. / 286 EB LLC has applied to the County of Sullivan Industrial Development Agency (IDA) for real property, mortgage and sales tax abatements to assist with bringing this project to completion.

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



Existing Mountain Kosher Store to be Replaced

The following is a summary of the findings from this analysis, including supporting materials forming the basis for the conclusions reached regarding benefits and costs related to IDA assistance.

Mountain Kosher Food Corp. / 286 EB LLC

Benefit/Cost Analysis

Methods and Assumptions:

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

- 1) The existing base assessment is \$374,000 and will not change. The projected assessment following proposed improvements is based on the average assessment of market value per square foot from a survey of assessments on competitive grocery store/supermarket properties throughout various areas of Sullivan County. This provides a rational basis for projecting the likely assessment of this property upon completion. The following table summarizes the data:

Assessed Market Values of Competitors									
Project	S/B/L	Year Built	Assessed Valuation			Eq. Rate	Eq. Value of Imp.	Square Feet	Eq. Value Per S.F.
			Land	Imp.	Total				
Wurtsboro Center	49.-1-3.6	1999	\$40,100	\$911,900	\$952,000	0.4550	\$2,004,176	20,000	\$100.21
Pete's - Narrowsburg	8.-2-2	1964	\$57,600	\$642,400	\$700,000	0.3892	\$1,650,565	17,776	\$92.85
Bloomington Groceries	203.-2-15.4	1987	\$38,000	\$296,400	\$334,400	0.4550	\$651,429	7,250	\$89.85
Peck's - Jeffersonville	105.-3-19	1960	\$13,400	\$506,600	\$520,000	0.4440	\$1,140,991	13,750	\$82.98
Skopp's - Fallsburg	36.-1-28.6	2015	\$15,000	\$373,200	\$388,200	0.4462	\$836,396	10,080	\$82.98
Peck's - Eldred	13.-5-4.1	1965	\$38,500	\$706,625	\$745,125	0.7200	\$981,424	14,455	\$67.90
Peck's - Livingston Manor	46.-1-36	1976	\$16,900	\$408,400	\$425,300	0.5250	\$777,905	13,260	\$58.67
Peck's - Callicoon	14.-5-69	1946	\$34,800	\$643,600	\$678,400	0.6874	\$936,282	19,634	\$47.69
Key Food Liberty	108.-6-38	1970	\$106,200	\$381,300	\$487,500	0.6330	\$602,370	14,045	\$42.89
Rock Hill Trading Post	51.-2-1	1959	\$20,300	\$401,100	\$421,400	0.6200	\$646,935	21,520	\$30.06
Mountain Kosher (Existing)	113.-4-3	1975	\$135,000	\$239,000	\$374,000	0.6200	\$385,484	13,054	\$29.53
Buy-Rite - Woodridge	101.-1-26	1976	\$21,900	\$143,100	\$165,000	0.4462	\$320,708	13,195	\$24.31
Total/Average		1974	\$537,700	\$5,653,625	\$6,191,325	0.5662	\$10,934,664	178,019	\$61.42

The data indicates an overall average assessed equalized value (market value) of \$61.42 per square square foot which. applied to the proposed new 27,000 square feet store yields a total market value of roughly \$1,658,500.

Mountain Kosher Food Corp. / 286 EB LLC Benefit/Cost Analysis

Further applying the 62% equalization rate for the Town of Thompson and deducting the existing base assessment of \$374,000, this yields a projected assessment value for purposes of this analysis of approximately \$1,055,225 as applied to the value of added real property improvements.

- 2) Real property tax abatement has been requested by the Applicant under § 301.b of the IDA's Uniform Tax Exemption Policy (Retail Sales Program), will apply to the projected assessment of \$1,055,225 on the net amount of real property improvements.

Because this program mirrors already available under § 485.b of the New York State Real Property Tax Law, there are not projected to be any costs related to real property tax abatements in this particular instance.

The proposed property improvements will, nonetheless, yield economic gains in increased taxes on those improvements, which are calculated as a benefit.



Mountain Kosher Food Corp. / 286 EB LLC

Benefit/Cost Analysis

- 3) Current ad valorem real property tax rates within the Village of Monticello, Sullivan County, are listed in the table following:

Tax Rates		
Tax Category	Rate (Before Equalization)	% of Assessed Value
Medicaid	2.992440	0.30%
NYS Welfare Mandates	1.530402	0.15%
Other NYS Mandates	2.884394	0.29%
County Levy	3.245727	0.32%
County Total	10.652963	1.07%
Town to Highway	2.315895	0.23%
Town Total	2.315895	0.23%
Village Tax	24.980000	2.50%
Village Total	24.980000	2.50%
School Tax Rate	21.113386	2.11%
Combined Total	59.062244	5.91%

- 4) This new construction project involves an estimated \$3,835,000 in otherwise sales taxable material purchases (assuming 65% material costs for \$5,900,000 of real property construction costs).
- 5) It is assumed, for purposes of this analysis, that all project construction activities will occur in 2022-23 with real property tax abatement beginning in 2024.
- 6) The application to the IDA indicates there will be a \$5,000,000 mortgage to which mortgage tax abatement will apply.
- 7) There are expected to be up to 15 full-time equivalent (FTE) construction jobs created at

Mountain Kosher Food Corp. / 286 EB LLC Benefit/Cost Analysis

an average salary of \$48,000 for the construction period. There are also an estimated three new FTE permanent jobs to be created along with 50 new full-time seasonal employees (estimated to be the equivalent of 12.5 FTEs) at an average salary of \$36,000. An economic multiplier of 1.50 is applied to these salaries for purposes of calculating personal income benefits and sales attributable to increased buying power, assuming 100% of construction jobs are local residents.



- 8) The annual costs to local government for providing highway maintenance and other non-educational services and supporting schools in the Village of Monticello are expected to be negligible because neither construction nor permanent or seasonal employment is likely to generate any new residents or schoolchildren in this case.

Mountain Kosher Food Corp. / 286 EB LLC Benefit/Cost Analysis

- 9) It is assumed 10% of the supermarket sales (estimated at half the U.S. average of \$18.41 per square foot per week) will be sales taxable.



- 10) Cash flow streams from benefits and costs are net present valued using a discount rate of 2.186% ([current interest rate on the public debt](#)). Net present value figures include actual costs of abatements and other costs for 2022-2023 (construction period) plus discounted values for 2024-2042.

Mountain Kosher Food Corp. / 286 EB LLC

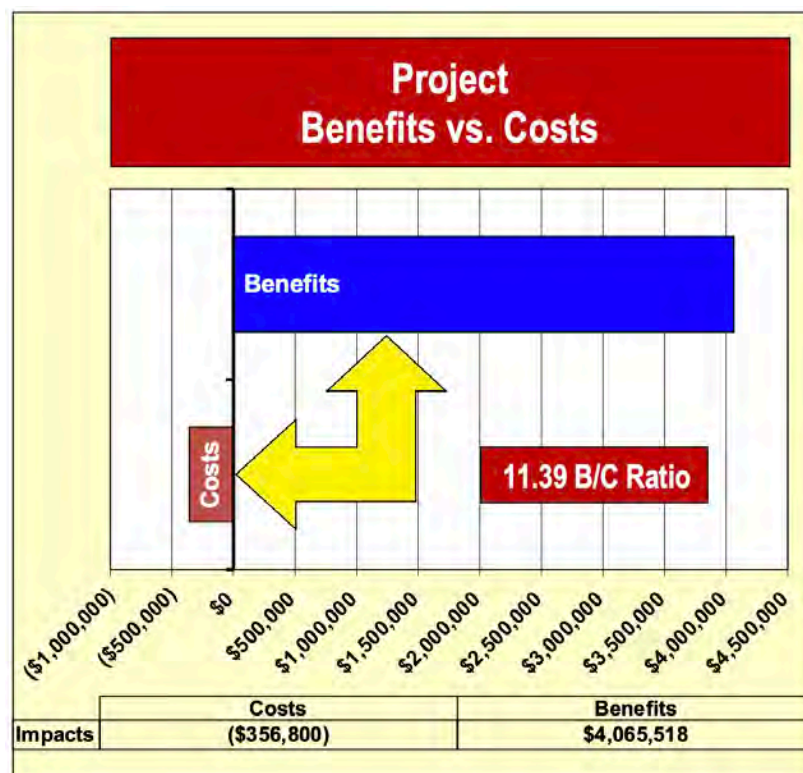
Benefit/Cost Analysis

Conclusion:

This project will generate estimated costs of \$356,800 in mortgage, real property and sales tax abatements over the period of the standard PILOT agreement.

The net present valued project benefits consist of real property taxes associated with improvements (\$652,724), payroll gains (\$1,080,000), sales taxes from those payroll gains (\$43,200) and sales taxes from retail operations (\$994,482), that, altogether, total \$2,770,406 combined over the analysis period.

This yields a positive benefit/cost ratio of 7.76.



Mountain Kosher Food Corp. / 286 EB LLC

Benefit/Cost Analysis

Project Cost/Benefit Analysis	
Costs (2022/23-2043)	
Sales Tax Abatements (County)	\$153,400
Sales Tax Abatements (State)	\$153,400
Mortgage Tax Abatements	\$50,000
Real Property Tax Reductions Net of 485-b Benefits	\$0
Sub-Total (Value of All Abatements) =	\$356,800
Net Present Value of Abatements	\$356,800
Additional School Costs	\$0
Variable Highway & Other Municipal Costs	\$0
Total Costs (Net Present Value)=	\$356,800
Benefits (Net Present Value, 2022-2044)	
Property Taxes Related to Improvements	\$652,724
Sales Taxes (General - From Gains in Buying Power)	
County	\$21,600
State	\$21,600
Sub-Total =	\$695,924
Sales Taxes (Generated by Retail Operations)	
County	\$497,241
State	\$497,241
Sub-Total =	\$994,482
Personal Income Gains Related to New Jobs	\$720,000
Personal Income Gains Related to Multiplier Effects	\$360,000
Sub-Total (Income Gains) =	\$1,080,000
Total Benefits =	\$2,770,406
Gross Excess Benefits Over Costs =	\$2,413,606
Benefits to Costs Ratio =	7.76

Mountain Kosher Food Corp. / 286 EB LLC

Benefit/Cost Analysis

Economic Analysis of Project and Requested Tax Abatement Program													
DESCRIPTION	FISCAL YEAR	Construct / Startup	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Sales Tax Abatement		\$306,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mortgage Tax Abatement		\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Real Property Tax Abatement		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Highway/Other Costs		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School Costs		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Real Property Taxes on New Property Value		\$0	\$19,707	\$22,111	\$24,604	\$27,187	\$29,864	\$32,637	\$35,509	\$38,483	\$41,561	\$44,748	\$48,045
Total Real Property Taxes Without Project		\$22,089	\$22,531	\$22,982	\$23,441	\$23,910	\$24,388	\$24,876	\$25,374	\$25,881	\$26,399	\$26,927	\$27,465
Total Real Property Taxes With Project		\$22,089	\$42,238	\$45,093	\$48,045	\$51,097	\$54,252	\$57,513	\$60,883	\$64,364	\$67,960	\$71,675	\$75,510
Personal Income - Construction Employment		\$720,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Indirect Income Benefits		\$360,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Added Sales Tax (General)		\$43,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Added Sales Tax (Operations)		\$0	\$51,695	\$52,729	\$53,784	\$54,859	\$55,957	\$57,076	\$58,217	\$59,382	\$60,569	\$61,781	\$63,016

Economic Analysis of Project and Requested Tax Abatement Program													
DESCRIPTION	FISCAL YEAR	2035	2036	2037	2038	2039	2040	2041	2042	2043	TOTALS		
		12	13	14	15	16	17	18	19	20	Actual	NPV	
Sales Tax Abatement		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$306,800	\$306,800	
Mortgage Tax Abatement		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$50,000	
Real Property Tax Abatement		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Highway/Other Costs		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
School Costs		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Real Property Taxes on New Property Value		\$49,006	\$49,986	\$50,986	\$52,006	\$53,046	\$54,107	\$55,189	\$56,292	\$57,418	\$842,491	\$652,724	
Total Real Property Taxes Without Project		\$28,015	\$28,575	\$29,146	\$29,729	\$30,324	\$30,930	\$31,549	\$32,180	\$32,824	\$569,535	\$455,528	
Total Real Property Taxes With Project		\$77,021	\$78,561	\$80,132	\$81,735	\$83,369	\$85,037	\$86,738	\$88,472	\$90,242	\$1,412,026	\$1,108,252	
Personal Income - Construction Employment		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$720,000	\$720,000	
Indirect Income Benefits		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$360,000	\$360,000	
Added Sales Tax (General)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$43,200	\$43,200	
Added Sales Tax (Operations)		\$64,277	\$65,562	\$66,873	\$68,211	\$69,575	\$70,967	\$72,386	\$73,834	\$75,310	\$1,256,059	\$994,482	

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the County of Sullivan Industrial Development Agency (the "Agency") on December 9th, 2022, at 9:00 a.m., local time, in the Legislative Hearing Room at the Sullivan County Government Center, 100 North Street, Monticello, New York, 12701, in connection with the following matter:

Mountain Kosher Food Corp. ("Mountain Kosher") and 286 EB LLC ("286 EB," and together with Mountain Kosher collectively, the "Company") has submitted an application (the "Application"), a copy of which is on file with the Agency, requesting the Agency's assistance with a certain project consisting of the: (i) acquisition, construction, reconstruction, installation and equipping of an approximately 27,0000 +/- square foot building to include a supermarket and accessory warehousing space ("Building") situate on one (1) parcel of real estate containing approximately 4.80 acres of land located at 286 East Broadway, Village of Monticello ("Village"), Town of Thompson ("Town"), County of Sullivan ("County"), State of New York and identified on the Town tax map as Section 113, Lot 4, Block 3 ("Land"); (ii) construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the "Project"); and (iv) lease of the Project from the Agency to the Company.

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

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

Dated: November 23rd, 2022

By:

COUNTY OF SULLIVAN INDUSTRIAL
DEVELOPMENT AGENCY

County of Sullivan Industrial Development Agency

Name of Project: Mountain Kosher Food Corp. and 286 EB LLC

December 9, 2022 – Friday, 9:00 AM

**Legislative Hearing Room, Sullivan County Government Center, 100
North Street, Sullivan County, New York**

In attendance:

Jennifer Flad, IDA

Ms. Flad opened the public hearing at approximately 9:00 AM.

There being no members of the public in attendance and no comments received, Ms. Flad closed the public hearing at approximately 9:20 AM.

JOSHUA A. POTOSEK, MBA
COUNTY MANAGER

MICHELLE L. HUCK
ASSISTANT COUNTY MANAGER

TEL. 845-807-0450
FAX 845-807-0460



COUNTY OF SULLIVAN
COUNTY MANAGER'S OFFICE
SULLIVAN COUNTY GOVERNMENT CENTER
100 NORTH STREET
PO BOX 5012
MONTICELLO, NY 12701

December 9, 2022

Suzanne R. Loughlin, Chairperson
County of Sullivan Industrial Development Agency
548 Broadway
Monticello, New York 12701

Re: County of Sullivan Industrial Development Agency ("Agency") with Mountain Kosher Food Corp. and 286 EB LLC

Dear Ms. Loughlin,

New York State General Municipal Law ("GML") Section 862 relating to restrictions on funds of industrial development agencies states that no financial assistance shall be provided by an industrial development agency to a proposed project that is or will be primarily engaged in making retail sales to customers, unless (among other exceptions) the project is located in a highly distressed area. In accordance with Section 862 of the GML, if an industrial development agency authorizes a proposed retail project because it is located in a highly distressed area, then agency must also find that undertaking the project will preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in New York State. Where the agency makes such a finding, prior to providing financial assistance to the project by the agency, the chief executive officer of the municipality for whose benefit the agency was created must confirm the proposed action of that agency.

Mountain Kosher Food Corp. and 286 EB LLC (together, "Company") has presented an application to the Agency requesting the Agency's assistance with a project consisting of the acquisition, construction, reconstruction, installation and equipping of an approximately 27,000 +/- square foot building to include a supermarket and accessory warehousing space ("Project") in the Village of Monticello and Town of Thompson, County of Sullivan. It is my understanding the Agency has found that the Project is located within a highly distressed area as defined by Section 854 of the GML.

Based upon the representations in the Company's application to the Agency, the Company expects that approximately 50 full-time seasonal jobs will be retained, and approximately fifteen temporary construction jobs and three full-time year-round jobs will be created, should the Project receive financial assistance from the Agency. It is anticipated that the Agency will consider approval of the Project at its meeting on December 12, 2022.

Based upon the above purported facts and the representations set forth in the Company's application to the Agency, I hereby confirm the aforementioned action of the Agency with respect to this matter.

Sincerely,



Joshua A. Potosek
County Manager

cc: Walter F. Garigliano, Agency Counsel

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened on December 12, 2022 at 11:00 a.m. local time at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

The meeting was called to order by 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, Agency General Counsel

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

Resolution No. __ - 22

RESOLUTION OF THE AGENCY APPOINTING MOUNTAIN KOSHER FOOD CORP. ("MOUNTAIN KOSHER") AND 286 EB LLC ("286 EB" AND TOGETHER WITH MOUNTAIN KOSHER, THE "COMPANY") AS ITS AGENT FOR THE PURPOSE OF CONSTRUCTING AND EQUIPPING THE PROJECT (HEREINAFTER DEFINED); MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT AND PROJECT AGREEMENT BETWEEN THE AGENCY AND THE COMPANY; AUTHORIZING THE AGENCY TO EXECUTE THE LEASE TO AGENCY ("LEASE"), LEASEBACK TO COMPANY ("LEASEBACK"), PAYMENT IN LIEU OF TAX AGREEMENT ("PILOT AGREEMENT") AND RELATED DOCUMENTS WITH RESPECT TO THE CONSTRUCTION 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 November 10, 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 (i) construction and equipping of an approximately 27,000 +/- square foot building to include a supermarket and accessory warehousing space ("Building") situate on one (1) parcel of real estate containing approximately 4.80 acres of land located at 286 East Broadway, Village of Monticello ("Village"), Town of Thompson ("Town"), County of Sullivan ("County"), State and identified on the Town tax map as Section 113, Lot 4, Block 3 ("Land"); (ii) construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the "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 constructing 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 construction and equipping of the Project; (b) a real property tax abatement on increased value resulting from improvements to the Land through the PILOT Agreement; and (c) a mortgage tax exemption for financing related to the Project; and

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

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

WHEREAS, to aid the Agency in determining whether the Project may have significant adverse effects on the environment, the Village of Monticello Planning Board, acting as lead agency ("Planning Board"), completed an environmental review under SEQR for the Project; and

WHEREAS, on July 23, 2019, the Planning Board determined that the Project will not have a significant adverse impact on the environment and issued a Negative Declaration; 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) A Cost/Benefit Analysis prepared by Shepstone Management Company, Inc., relating to the proposed financial assistance.

Section 2. The Agency has reviewed the record of the proceedings related to the Project before the Planning Board; and the Agency (a) ratified and concurred in the designation of the Planning Board as “Lead Agency” with respect to the Project; and (b) determined that the Agency has no information to suggest that the Planning Board was incorrect in determining the Project will not have a “significant effect on the environment” and, therefore, no additional review under SEQR is required.

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 December 9, 2022, at 9:00 a.m., local time, in the Legislative Hearing Room at the Sullivan County Government Center, 100 North Street, Monticello, New York, 12701 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 the improvements constituting the Project; (ii) appoint the Company as its agent for purposes of constructing and equipping 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 and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency to construct and equip the Project on behalf of the Agency; with the authority to delegate its status as agent of the Agency to the Company's agents, subagents, contractors, subcontractors, suppliers, vendors and other such parties as the Company may choose. The appointment described above includes the following activities as they relate to the construction and equipping of the Project, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Project; (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the construction and equipping of the Project; (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with the construction and equipping of the Project; and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under the Project, including all repairs and replacements of such property. This Agency appointment includes the power to make, execute, acknowledge and deliver any contracts,

orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Project, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to construct and equip the Project shall expire on January 31, 2023, 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 \$3,837,500, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$307,000. 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 Uniform Tax Exemption Policy.

Section 9. The Chairperson or Executive Director of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Transaction Documents, all with such changes, variations, omissions and insertions as the Chairperson or Executive Director of the Agency shall approve, the execution thereof by the Chairperson or Executive Director 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 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	[] 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

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 in public session on December 12, 2022 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
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 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103(a) and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 12th day of December, 2022.

Carol Roig, Secretary

COUCH WHITE^{LLP}

JOSHUA A. SABO, ESQ.

jsabo@couchwhite.com 518.320.3443 **direct** 518.426.0376 **fax**

December 9, 2022

Suzanne Loughlin, Chair
County of Sullivan Industrial Development Agency
548 Broadway
Monticello, New York 12701

Re: County of Sullivan Industrial Development Agency with
NY Mamakating I, LLC

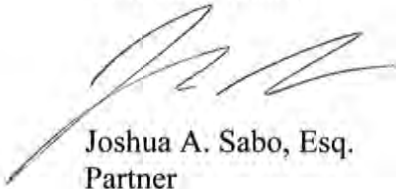
Dear Chair Loughlin,

I am counsel to NY Mamakating I, LLC, and its upstream owner, Generate C&I Warehouse, LLC ("Generate"). At the time the original application to the County of Sullivan Industrial Development Agency ("IDA") was made, the upstream owner of NY Mamakating I, LLC, was Delaware River Solar, LLC ("DRS").

Generate is moving forward with construction loan financing secured by a mortgage in the amount of \$7,675,000. The permanent financing for the solar project will be approximately the amount represented to you by DRS. As a result of this change in financing strategies, NY Mamakating I, LLC, would benefit from a mortgage tax exemption of \$76,750.00 – an increase from the \$33,000.00 mortgage tax exemption contemplated in the Project Agreement. As you are aware an increase in benefits of this magnitude will not require an additional public hearing.

Thank you for your consideration of this request and for all of your cooperation with this Project. We look forward to closing next week.

Very truly yours,



Joshua A. Sabo, Esq.
Partner

JAS/ess

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on December 12, 2022 at 11:00 a.m. local time at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

The meeting was called to order by 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, Agency General Counsel

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

Resolution No. __ - 22

*RESOLUTION AUTHORIZING EXECUTION AND DELIVERY A MORTGAGE
TO SECURE A LOAN FROM LIVE OAK BANKING COMPANY (“LENDER”)
TO NY MAMAKATING I, LLC (“COMPANY”) IN THE ORIGINAL
PRINCIPAL AMOUNT NOT TO EXCEED \$7,675,000*

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, by Resolution No. 17-22, adopted May 9, 2022 (“May Resolution”), the Agency appointed the Company at its agent for the purpose of construction of an approximately 3MWac solar photovoltaic electricity generating facility that will be interconnected to the Orange & Rockland Utilities, Inc. electrical grid (“Project”). All capitalized terms not herein defined shall have the respective meaning ascribed thereto in the May Resolution; and

WHEREAS, funds necessary to complete the Project will in part be provided by a loan from Lender to the Company in the original principal amount not to exceed \$7,675,000 (“Loan”); and

WHEREAS, security for the Loan shall include, among other security, a Leasehold, Subleasehold and Sub-Subleasehold Mortgage on the Land; and

WHEREAS, the Agency holds a Leasehold interest in the Land and Project; and

WHEREAS, the Lender requires the Agency to execute for the benefit of the Lender, a Leasehold, Subleasehold and Sub-Subleasehold Mortgage, Security Agreement and Fixture Filing (“Mortgage”), together with such other documents as the Lender may reasonably require; and

WHEREAS, the Agency desires to authorize its Chairperson or Executive Director, each acting individually, to execute the Mortgage and any related documents in favor of Lender as security for the Loan.

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

Section 1. The Chairperson or Executive Director of the Agency, each acting individually, are hereby authorized, on behalf of the Agency, to execute and deliver the Mortgage in favor of Lender in an original principal amount not to exceed \$7,675,000, together with any related financial documents in favor of Lender as security for the Loan.

Section 2. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 3. 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 in public session on December 12, 2022 at 11:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>
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 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103(a) and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the 12th day of December, 2022.

Carol Roig, Secretary