

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
Kathleen Lara, 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: August 8, 2023

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

Date: Monday, August 14, 2023

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

548 Broadway
Monticello, New York 12701
(845) 428-7575 - Voice
(845) 428-7577 - Fax
www.sullivanida.com
TTY 711

**MEETING AGENDA
MONDAY, AUGUST 14, 2023**

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MEETING MINUTES

July 10, 2023 Regular Meeting

IV. BILLS AND COMMUNICATIONS

V. STAFF REPORT

VI. NEW BUSINESS

Resolution: Extending the Sales Tax Abatement Period for the Catskill Hospitality Holding LLC and Catskill Hospitality Operating LLC Project from August 1, 2023 Through and Including January 31, 2024

Resolution: Appointing Fay Hospitality Catskills LLC as Agent of the Agency; Making Certain Findings and Determinations with Respect to the Project; Authorizing the Execution and Delivery of An Agent and Project Agreement; and Authorizing the Execution of the Lease to Agency, Leaseback to Company, Payment in Lieu of Taxation Agreement, and Related Documents (re: Villa Roma Resort & Conference Center)

Resolution: Appointing Homesteadt, LLC and North Branch Cider Mill LLC as Agent of the Agency; Making Certain Findings and Determinations with Respect to the Project; Authorizing the Execution and Delivery of An Agent and Project Agreement; and Authorizing the Execution of the Lease to Agency, Leaseback to Company, Payment in Lieu of Taxation Agreement, and Related Documents (re: North Branch Cider Mill and Barn)

Executive Session: Discussion of Current Litigation

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
TTY 711
www.sullivanida.com

MEETING MINUTES
Monday, July 10, 2023

I. CALL TO ORDER

Chairperson Loughlin called to order the regular meeting of the County of Sullivan Industrial Development Agency at approximately 11:00 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
Carol Roig
Paul Guenther
Philip Vallone

Members Absent-

Howard Siegel
Scott Smith
Sean Brooks
Kathleen Lara (arrived 11:02 AM)

Staff Present-

John Kiefer, Chief Executive Officer
Jennifer Flad, Executive Director
Julio Garaicoechea, Project Manager

Staff Absent-

Bethanii Padu, Economic Development Coordinator

Others Present-

Walter F. Garigliano, Agency Counsel
William A. Frank, Special Project Counsel
Mary Ann Johnson, Hudson Valley AgriBusiness Development Corporation
Steven Vegliante, Vegliante Law
Ken Walter

III. APPROVAL OF MEETING MINUTES

On a motion made by Mr. Guenther, and seconded by Mr. Sykes, the Board voted and unanimously approved the June 12, 2023 regular meeting minutes.

IV. BILLS AND COMMUNICATIONS

Ms. Flad presented the Board with a schedule of payments showing ten payments totaling \$13,716.28. On a motion made by Mr. Sykes, and seconded by Mr. Vallone, the Board voted and unanimously approved the schedule of payments.

V. STAFF REPORT AND QUARTERLY FINANCIAL REPORT

There were no questions on the June staff report and quarterly financial report.

VI. NEW BUSINESS

Mary Ann Johnson of **Hudson Valley AgriBusiness Development Corporation (HVADC)** gave a presentation and update of HVADC's recent activities and initiatives. On a motion made by Mr. Sykes and seconded by Mr. Guenther, the Board reviewed and discussed a resolution authorizing the execution and delivery of an AgriBusiness Agreement with HVADC for the period commencing July 1, 2023 and ending June 30, 2028. Chairperson Loughlin called the motion to question, the Board voted, and the resolution was unanimously adopted.

On a motion made by Mr. Guenther, and seconded by Mr. Sykes, the Board reviewed and discussed a resolution extending the sales tax abatement period for the **Monticello Industrial Park LLC** project from July 1, 2023 through and including December 31, 2023. Chairperson Loughlin called the motion to question, the Board voted, and the resolution was unanimously adopted.

On a motion made by Ms. Roig and seconded by Ms. Lara, the Board reviewed and discussed resolutions authorizing the amendment of the Payment in Lieu of Taxation (PILOT) Agreements with **NY Liberty II, LLC; NY Mamakating I, LLC; and NY Thompson III, LLC**. Ms. Flad and Mr. Frank described the requested amendments. Chairperson Loughlin called the motion to question, the Board voted, and the three resolutions were unanimously adopted.

The Board discussed a proposed \$46,000.00 Rural Microentrepreneur Assistance Program (RMAP) Loan to **2 Queens LLC**, for the development and expansion of this coffee roasting company's café in Narrowsburg. Board members agreed that for this loan and future loans made by the Agency, the application fee will be reduced from \$250 to \$125; the Agency's administrative fee will be reduced from 2% of the principal amount to 1% of the principal amount; and the Agency will pay for one-half of legal fees, with the remaining half paid by the borrower. On a motion made by Ms. Lara and seconded by Mr. Sykes, the Board voted and unanimously approved the RMAP Loan to 2 Queens LLC.

The Board discussed a proposed \$45,000.00 RMAP Loan to **3 Franks, Inc.** for the development of a new restaurant in Parksville. On a motion made by Mr. Guenther and seconded by Ms. Roig, the Board voted and unanimously approved the RMAP Loan to 3 Franks Inc. with the changes to the fee schedule described above.

The Board discussed a proposed \$75,000.00 Revolving Loan Fund (RLF) Loan to **North Branch Cider Mill LLC** for the redevelopment and restoration of the North Branch Cider Mill and Barn. On a motion made by Mr. Sykes and seconded by Mr. Guenther, the Board voted and unanimously approved the RLF Loan to North Branch Cider Mill LLC with the changes to the fee schedule described above.

VII. PUBLIC COMMENT AND ADJOURN

Chairperson Loughlin asked those present for public comment. The Board recognized the comments of Ken Walter and Steven Vegliante. On a motion made by Mr. Guenther and seconded by Mr. Sykes, the Board adjourned the meeting at approximately 11:51 AM.

Respectfully submitted:
Jennifer Flad, Executive Director
##

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

548 Broadway, Monticello, NY 12701

845-428-7575

REVISED SCHEDULE OF PAYMENTS: August 14, 2023

No.	Vendor	Description	Amount
1	Charter Communications	Phone and Internet Service August 2023	\$ 279.95
2	Deborah Nola	Accounting & Payroll Services- July 2023	\$ 500.00
3	Elan Financial Services	Zoom, SC Clerk recording fees, Adobe	\$ 361.78
4	Kristt Kelly	Office supplies (toner, posters, staples, paper)	\$ 344.62
5	New Southern Tier Title Agency	Office Rent: September 2023	\$ 3,700.00
6	New York State Department of State	Notary exam fee - B. Padu	\$ 15.00
7	Shepstone Management Co.	Cost benefit analysis - Fay Hospitality (<i>pass through</i>)	\$ 2,450.00
8	Sullivan County Democrat	Legal notices re: Fay Hospitality Catskills LLC and Homestead & North Branch Cider Mill LLC (<i>pass through</i>)	\$ 204.95
9	Walter F. Garigliano, P.C.	August 2023 Retainer, Legal fees re: Fay Hospitality Catskills (<i>pass through</i>), Sales tax exemption fees: Catskill Hospitality Holding/Catskill Hospitality Operating (<i>pass through</i>)	\$ 2,600.00
10	USDA Rural Development	RMAP Loan Payment August 2023	\$ 2,370.41
TOTAL			\$ 12,826.71
<p>I certify that the payments listed above were audited by the Board of the IDA on August 14, 2023 and allowed in the amounts shown. You are hereby authorized and directed to pay each of the claimants in the amount opposite its name.</p>			
_____			8/14/2023
Signature			Date

Expenses Approved and Paid Since Last Regular Meeting (7/10/23)

No.	Vendor	Description	Amount
1	2 Queens LLC	RMAP Loan Proceeds (approved 6/9/23)	\$ 46,000.00
2	3 Franks LLC	RMAP Loan Proceeds (approved 6/12/23)	\$ 45,000.00
3	Agrarian Feast, LLC	AgriBusiness Revolving Loan Fund Drawdown #4 (final) - Loan Approved by Board 6/14/21	\$ 20,000.00
4	North Branch Cider Mill	RLF Loan Proceeds (approved 6/12/23)	\$ 75,000.00
5	Walter Garigliano, P.C.	RLF & RMAP Loan Legal Fees	\$ 875.00
6	Sullivan County Clerk	RLF Loan Recording Tax and Fees (<i>pass through</i>)	\$ 965.00
TOTAL			\$ 187,840.00

Other Expenses and Items Paid Since Last Regular Meeting (7/10/23)—no approval required

No.	Vendor	Description	Amount
1	Payroll Expenses	Payroll Check Dates: 7/14/23, 7/28/23, 8/11/23	\$ 33,180.48
TOTAL			\$ 33,180.48

ACTIVITY REPORT – JULY 2023
COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY (IDA), SULLIVAN COUNTY
FUNDING CORPORATION (SCFC), THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL
DEVELOPMENT CORPORATION (TSCILDC)

August 7, 2023

The IDA Board held its regular monthly meeting on July 10, at which time the Board adopted the following resolutions:

- Resolution authorizing IDA to execute a five-year AgriBusiness Agreement with **Hudson Valley AgriBusiness Development Corporation**. For over a decade HVADC has provided an array of technical assistance, lending, marketing, and other services to agricultural businesses in Sullivan County through its contractual relationship with the Sullivan County Funding Corporation (SCFC). Going forward, IDA will contract with HVADC for provision of these services.
- Resolution extending the sales tax abatement period for the **Monticello Industrial Park LLC** project through December 31, 2023. This project relates to the development of infrastructure on the former landfill expansion parcel in the Village of Monticello.
- Resolutions authorizing the amendment of the Payment in Lieu of Taxation (PILOT) Agreements with **NY Thompson III, LLC; NY Liberty II, LLC; and NY Mamakating I, LLC**. The amended PILOT payment amounts will more closely reflect these solar facilities' appraised values based on the recently implemented discounted cash flow appraisal model established by New York State.

The IDA Board also approved three revolving loans on July 10: to **2 Queens LLC**, \$46,000 for the expansion and relocation of this coffee roasting business's café in Narrowsburg; **3 Franks Inc.**, \$45,000 for the establishment of a new restaurant in Parksville; and **North Branch Cider Mill LLC**, \$75,000 for restoration and redevelopment of the North Branch Cider Mill. All three loans closed during July.

Through our revolving loan and lease programs, IDA has eight active loans and nineteen active equipment leases. The available balance in IDA's loan and lease funds is \$633,730. SCFC's Millennium Revolving Loan Fund is closed to new applicants, but staff continues administration of five active loans through this fund.

The Sullivan County Funding Corp. (SCFC) and Sullivan County Infrastructure Local Development Corporation (TSCILDC) also met on July 10 to conduct routine business.

The next meeting of the IDA Board is scheduled for Monday, August 14 at 11:00 AM in the Legislative Committee Room at the Sullivan County Government Center.

##

Catskill Hospitality LLC

16 Raceway Road
Monticello, NY 12701

7/3/2023

Board Of Directors

County of Sullivan IDA

548 Broadway, Monticello, NY 12701

RE: New York State Sales and tax Exemption Form

Request for 6 months extension

Ladies and Gentlemen of Board of Directors,

Please allow this letter to serve as a formal request for 6 months extension of our Sales and Use tax abatement letter currently expiring on 7/31/23.

The project has just completed and we received our letter of occupancy. We have some list from Hilton that requires some ordering that is remaining. Also we have decide to furnish our maids closets for which we will require place some orders.

Thank You

Brijesh Patel

X

Brijesh Patel
Owner

Jennifer Flad

From: Payal Pate [REDACTED]
Sent: Monday, August 7, 2023 10:05 AM
To: Jennifer Flad
Cc: Brijesh BJ Patel; Julio Garaicoechea
Subject: Re: FW: Catskill Hospitality Request for extention

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

Hello Jennifer,

I apologize for the delayed response. We have maids' closets on each floor that we temporarily did something so we were planning to finish it. Get more organization in place and get it more as a storage. It is about 4 closets. Also we want to make an additional storage. Also we have to still get our landscaping lights installed as per Hilton. They gave us 18 months to complete after opening. We are ready to do that but just not able to find someone to finish that for us. We also want to build more storage in the back office.

I totally understand if you cannot extend it for these reasons.

Sincerely,
Payal Patel

On Mon, Aug 7, 2023 at 9:55 AM Jennifer Flad <jflad@sullivanida.com> wrote:

Good Morning,

I'm just following up on this.

Thanks,

Jennifer M. Flad

Executive Director

County of Sullivan Industrial Development Agency

548 Broadway

Monticello, New York 12701

tel: (845) 428-7575

fax: (845) 428-7577

TTY 711

This institution is an equal opportunity provider and employer.

From: Jennifer Flad

Sent: Friday, July 28, 2023 2:49 PM

To: Payal Patel [REDACTED] Julio Garaicoechea <juliog@sullivanida.com>; brijesh patel [REDACTED]

Subject: RE: Catskill Hospitality Request for extention

Good Afternoon,

Thank you for sending the attached request. Would you please revise the request to include a list of the items Hilton is asking you to purchase? The Board has been asking for more details from projects like yours, which has had an IDA sales tax exemption for almost five years.

I also want to remind you that IDA can only exempt sales and use tax on purchases made to construct the project, and not purchases relating to ongoing operating expenses.

Once we receive the additional detail, we will put the request on the August 14th IDA Board 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

fax: (845) 428-7577

TTY 711

This institution is an equal opportunity provider and employer.

From: Payal Patel [REDACTED]
Sent: Thursday, July 20, 2023 6:29 PM
To: Julio Garaicoechea <juliog@sullivanida.com>; Jennifer Flad <jflad@sullivanida.com>
Cc: brijesh patel [REDACTED]
Subject: Catskill Hospitality Request for extention

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

Good Evening Julio,

Please find attached the request for extension of tax exemption. Let me know if you have any questions.

Sincerely,

Payal Patel

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on August 14, 2023 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	[]	[]
Kathleen Lara	[]	[]

The following persons were also present:

Jennifer M. Flad, Executive Director
John W. Kiefer, Chief Executive Officer
Julio Garaicoechea, Project Manager
Bethanii Padu, Economic Development Coordinator
Walter F. Garigliano, Agency General Counsel

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

Resolution No. _____ - 23

RESOLUTION EXTENDING THE SALES TAX ABATEMENT PERIOD FOR THE CATSKILL HOSPITALITY HOLDING LLC (“CATSKILL HOLDING”) AND CATSKILL HOSPITALITY OPERATING LLC (“CATSKILL OPERATING” TOGETHER WITH CATSKILL HOLDING COLLECTIVELY, THE “COMPANY”) PROJECT NUNC PRO TUNC FROM AUGUST 1, 2023 THROUGH AND INCLUDING JANUARY 31, 2024

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

WHEREAS, on April 5, 2016, the Company presented an application to the Agency, a copy of which is on file with the Agency, requesting the Agency’s assistance with respect to a certain

project consisting of the: (i) acquisition, construction, installation and equipping of an approximately 56,000 square foot building intended to be used as a limited service hotel (“Building”) situate on one (1) parcel of real estate consisting of approximately 6.59± acres located along Golden Ridge Road, Town of Thompson (“Town”), County of Sullivan, State of New York and identified on the Town tax map as a portion of Section 13, Block 3, Lot 38.1 (“Land”); (ii) acquisition, construction and equipping of the Building; (iii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (iv) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the “Project”); and (v) lease of the Project from the Agency to the Company; and

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

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

WHEREAS, the Agency, from time to time, previously extended the expiration date of the Sales Tax Exemption Letter so that the letter now in effect expired on July 31, 2023; and

WHEREAS, on or about July 20, 2023, the Company requested that the sales tax abatement period be extended for another six (6) months to expire on January 31, 2024 to continue equipping the Project.

NOW, THEREFORE, BE IT RESOLVED, that the sales tax abatement period for the Project be, and hereby is, extended nunc pro tunc from August 1, 2023 through and including January 31, 2024.

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
Kathleen Lara	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain

The resolution was thereupon duly adopted.

July 7, 2023

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: Fay Hospitality Catskills LLC
Villa Roma Resort and Conference Center
356 Villa Roma Road, Callicoon, New York
Tax Parcel SBL 5-1-26.2, 20-1-7.1, 20-1-8.2, 20-1-8.3, 20-1-9.1, 20-1-9.4, 20-1-9.6, 20-1-9.8,
20-1-9.9, 20-1-9.10, 20-1-11.3, 20-1-11.4, 20-1-12.6, 20-1-14.2 (the "Property")

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

This office represents Fay Hospitality Catskills LLC ("Fay" or the "Applicant"). Fay previously submitted an application to the County of Sullivan Industrial Development Agency (the "Agency") under cover letter dated March 23, 2022 seeking financial assistance for its proposed purchase and renovation of the well-known Villa Roma Resort and Conference Center ("Villa Roma"). The Agency approved this application and adopted Resolution No. 20-22 on May 16, 2022 (the "Approval Resolution"), wherein the Agency, among other things, appointed Fay as its agent to acquire, construct, reconstruct, renovate, rehabilitate, install and equip the Project¹ on behalf of the Agency, authorized an agent and project agreement between the Agency and Fay, authorized the Agency to execute a lease to the Agency, leaseback to Fay, payment in lieu of tax agreement, and related documents with respect to the Project. The Agency also adopted Resolution

¹ The 'Project' as referenced herein is more fully defined in the Agency Resolution No. 20-22, but generally includes the purchase, repair and renovation of the hotel, 139 guest rooms, the public spaces, the meeting spaces, the club forum and indoor pool, the club house, the recreation and fitness center, the catering center, the spa and the ski chalet, as well as required structural and facility repairs, including emergency power for water and waste water, roof replacement, a replacement golf course irrigation system, and laundry repairs.

No. 46-22, which authorized the Agency's execution and delivery of one or more mortgages to secure a loan from Corfinancial Corp., as administrative agent to Fay. However, finance delays associated with post-COVID market conditions, interest rate increases, and most recently the 2023 banking crisis, which led to the temporary loss of funding from a key financial lender, Corfinancial Corp., has delayed the closing and start of the Project.

While the Agency accommodated these delays by issuing two extensions over the past year, it is our understanding that the Agency's Board Members are not amendable to issuing any further extensions and prefer that we submit a new application which will enable the Agency to conduct an updated cost-benefit analysis prior to confirming that it still wishes to undertake this Project. Notwithstanding these setbacks, Fay remains committed to this Project and is sufficiently capitalized to move ahead and hereby submits a new application ("Application") seeking financial assistance from the Agency. While the Project will remain substantively the same, we remind the Agency of its many benefits to the local community and economic vitality of Sullivan County, as set forth below.

The Villa Roma enjoys a favorable location in a secondary market and offers an outstanding array of activities and amenities. The Applicant, based on a thorough market analysis, believes that the Villa Roma remains 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 investment in Sullivan County, Fay desires to enter into agreements with the Agency² to assist with its purchase, financing and renovation of the Property to retain and ultimately expand its resort offerings and create new employment opportunities. To this end, after purchase, Fay plans to invest over \$15.75M in the purchase of the Villa Roma and the Property, approximately \$5M in immediate facility improvements as well as approximately \$2.4M in required structural and facility repairs going forward (the "Project"). As further inducement to invest in Sullivan County and make the Project a reality, the financial assistance required from the CSIDA include a limited real estate tax abatement, a sales and use tax exemption, and mortgage recording tax exemption (collectively, the "Financial Assistance").

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

a. The Project/Location –The proposed Project will include purchase of the Villa Roma and the Property, the immediate repair and renovations of the hotel, including the hotel rooms, the public spaces, the meeting spaces, the club forum and indoor pool, the club house, the recreation and fitness center, the Club House catering center, the spa and the ski chalet. The Project

² Portions of the Property received financial assistance from the CSIDA under agreements with the current owner/seller, Villa Roma Resort & Conference Center, Inc. (the "Current Owner/Seller"). Those agreements were terminated on August 31, 2019 and the Current Owner/Seller is not a party to this application to the CSIDA.

is located within the Planned Unit Development (PUD) zoning district in the Town of Delaware, which allows for the flexibility provided additional functional integrated residential or resort communities where sufficient open space can be provided. The Project is fully permitted with the existing PUD and will occur fully within the Property boundaries and will not impact or touch previously undisturbed areas.

b. Private Investment - The anticipated capital investment in the Project will be approximately \$20.8M. This investment, coupled with the recent investments of hundreds of millions of dollars in Sullivan County within the past five years, will lead to significant additional direct and indirect investments in the local economy.

c. Job Creation – The Project is expected to retain the existing workforce of approximately 269 full time employees and approximately 100 seasonal employees. In addition, approximately 65 temporary construction jobs are anticipated. The jobs retained will continue to benefit the region. More detail is provided on the Application.

d. Timely Completion – After unforeseen delays, this Project is now expected to close in the third quarter of 2023. The \$5M main hotel and facility the renovations and improvements will commence within six months after closing. The \$2.4M of repair and maintenance costs that are expected to stem from post-renovation cash flow, are expected to occur two to three years after closing.

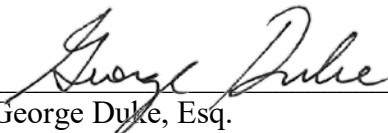
e. Existing Approvals - The Applicant has or will have all existing zoning and facility approvals as a condition of closing. So, no delays are expected to commence the facility repairs and renovations, other than ministerial building permits.

Fay previously submitted an application fee and escrow deposit for the previous application and respectfully request that those funds be applied to this Application.

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

Very truly yours,

CONNELL FOLEY LLP

By: 
George Duke, Esq.

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY
One Cablevision Center
Ferndale, New York 12734
845-295-2603
APPLICATION FOR FINANCIAL ASSISTANCE

I. A. APPLICANT INFORMATION:

Company Name: FAY HOSPITALITY CATSKILLS LLC.¹

Address: C/O FAY US INVESTMENTS CORP. 1185 AVENUE OF THE AMERICAS, 3RD FLOOR, NEW YORK, NY 10036

Phone No.: 1-347-399-3574 UK: +44(0)7725886335

Telefax No.: NONE

Email Address: sandeep.wadhwa@fayinvestment.com

Fed Id. No.: 37-2018607

Contact Person: SANDEEP WADHWA, PRESIDENT

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

Principal Owners (Shareholders/Members/Owners):

Fay Hospitality Catskills LLC (Buyer Entity);
Fay Villa Roma LLC (Holding Entity);
Fay US Investment Corp & VRZS LLC (Sponsor Entity);
Fay Investment and Asset Management Ltd (UK) (Parent Entity);
Sandeep Wadhwa;
Shamila Jafri; and
Steve Mabus

See Attachment "A", referenced below, for a more detailed explanation of ownership structure and percentages.

Directors/Managers: N/A

Officers:N/A

*Corporate Structure (attach schematic if Applicant is a subsidiary or otherwise affiliated with another entity) **See Attachment "A" - Acquisition Structure***

¹ The Applicant hereby reserves the right to assign, either directly or indirectly, all or part of its rights and obligations under this Application and/or any Inducement Resolution of the Agency, upon the prior written consent of the Agency

Form of Entity:

_____ Corporation (Sub-s)

Date of incorporation: _____

State of incorporation: _____

_____ Partnership

General _____ or Limited _____

Number of general partners _____

If applicable, number of limited partners _____

Date of formation: _____

Jurisdiction formation: _____

Limited Liability Company/Partnership (number of members 1)

Date of organization: 09/29/2021 (NYS AUTHORIZATION 10/18/2021)

State of organization: DELAWARE

_____ 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 – GEORGE DUKE, ESQ.
STEVEN VEGLIANTE, ATTORNEY AT LAW

Address: 449 BROADWAY, MONTICELLO, NY 12701

Phone No.: 212-307-3700

Telefax No.: 212-542-3790

Email Address: GDUKE@CONNELLFOLEY.COM and
STEVEN@VEGLIANTELAW.COM

II. REQUESTED FINANCIAL ASSISTANCE

Estimated Value

Real Property Tax Abatement (estimated)	\$ <u>TBD</u>
Mortgage Tax Exemption	\$ <u>153,000.00</u>
Sales and Use Tax Exemption	\$ <u>384,000.00</u>
Issuance by the Agency of Tax Exempt Bonds	\$ <u>N/A</u>

III. PROJECT INFORMATION

A.) Project Location: VILLA ROMA RESORT – TOWN OF DELAWARE, NY

Project Address: 356 Villa Roma Road, Calicoon, NY 12723

Tax Map Number(s): See Attachment B – List of Parcels in Project

Located in the Village of: N/A

Located in Town of DELAWARE

Located in the School District of SULLIVAN WEST

Located in Hamlet of CALLICOON

(i) Are Utilities on Site?

Water/Sewer Y

Electric Y

Gas NO

Storm Sewer Y

(ii) Present legal owner of the site: VILLA ROMA RESORT AND CONFERENCE CENTER, INC. AND VILLA ROMA LLC

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

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

(iv) Are any variances needed: NO

(v) Principal Use of Project upon completion: RESORT HOTEL AND CONFERENCE CENTER

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

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

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

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

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

E.) Will the Project include facilities or property that will be primarily used in making retail sales of goods or provide services to customers who personally visit such facilities? YES – ANCILLARY TO THE OPERATION OF A RESORT; 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 C – Project Description

See Attachment D – Property Improvement Plan (PIP) Cost Schedule with Temporary Jobs Creation Estimate

See Attachment E – Capital Expenditure Estimate Report for Future Repairs

G.) COSTS AND BENEFITS OF THE PROJECT

Costs = Financial Assistance

Estimated Sales Tax Exemption	<u>\$384,000.00</u>
Estimated Mortgage Tax Exemption	<u>\$153,000.00</u>
Estimated Property Tax Abatement	\$ TBD
Estimated Interest Savings IRB Issue	\$ N/A

Benefits= Economic Development

Jobs created	<u>0</u>
Jobs retained	<u>269</u>
Private funds invested	\$ <u>20,800,000.00</u>
Other Benefits	<u>N/A</u>

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

Construction:	<u>65</u>
Permanent:	<u>269</u>
Retained (at current facility):	<u>269</u>

Project Costs (Estimates) ²	
Land and Existing Buildings	\$ <u>15,750,000.00</u>
Soft Costs (5%)	\$ <u>2,250,000.00</u>
Other	\$ <u>2,800,000.00</u>
Total	\$ <u>20,800,000.00</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.

(CAPITAL STACK REQUIRED)

<u>CAPITAL STACK</u>	<u>SOURCE</u>	<u>USE</u>
Purchase Price		15,750,000
Less Deposit		(450,000)
Closing Costs		500,000
Capex		5,000,000
Term Funding – Senior Loan	7,800,000	
Seller Financing – Subordinate Loan	2,500,000	
Equity	5,500,000	
Capex – Mezz Loan	5,000,000	
<u>TOTALS</u>	<u>20,800,000</u>	<u>20,800,000</u>

² Estimates for renovations and repairs based on existing conditions survey and cost estimates prepared by Century Construction Consultants LLC, dated July 2020 and December 7, 2021.

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.

JOBS RETAINED - 269

JOBS CREATED (TEMPORARY CONSTRUCTION) - 65

See Attachment D – Property Improvement Plan (PIP) including Cost Schedule and Temporary Jobs Creation Estimate.

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

Approximately 24 Months

- 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.

\$45,000.00 (Average)

See Attachment F – Employee Salary Information

- 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

APPLICANT HAS DETERMINED THAT BENEFITS ARE NECESSARY FOR THE SUCCESSFUL PURCHASE AND OPERATION OF THE RESORT. WITHOUT BENEFITS, IT IS HIGHLY UNLIKELY THAT APPLICANT COULD FINANCIALLY COMPLETE THE PROJECT AND OPERATE THE RESORT.

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:

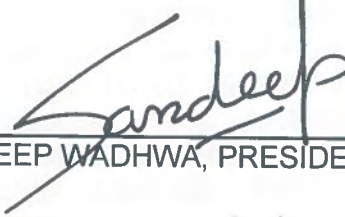
§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment 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.

FAY HOSPITALITY CATSKILLS LLC



By: SANDEEP WADHWA, PRESIDENT

Date: July 6, 2023

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

SANDEEP WADHWA, being first duly sworn, deposes and says:

1. That I am the PRESIDENT of FAY HOSPITALITY CATSKILLS, LLC (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.



SANDEEP WADHWA

Subscribed and affirmed to me under penalties of perjury

this Sixth day of July, 2023.

at Apt 38, The Chiltern Place, 66 Chiltern Street, London, W1U 4EJ.



(Notary Public)



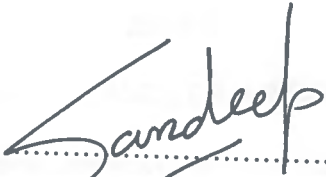
My Commission Expires: 31st October 2023

Susan Anand Notary Public
41 Westbury Road
Northwood, Middlesex HA6 3DB
Tel: 07958 088 690
susan@london-notary.com

BE IT KNOWN that I, Susan Anand Notary Public of 41 Westbury Road Northwood Middlesex HA6 3DB a duly authorised Notary Public CERTIFY that there appeared before me at Apt 38, The Chiltern Place, 66 Chiltern Street, London, W1U 4EJ Sandeep Wadhwa of Apt 38, The Chiltern Place, 66 Chiltern Street, London, W1U 4EJ, United Kingdom identified by his Grenadian passport who, after having been duly sworn by me, stated on oath:

"I SANDEEP WADHWA MAKE OATH AND SAY:

1. That the company Fay Hospitality Catskills LLC (Number 37-2018607) ("the Company") duly incorporated under the companies laws of Delaware remains in good corporate standing under the laws of the said jurisdiction;
2. That I am the President of the Company;
3. That I am duly authorised to sign the document annexed hereto;
5. That the document annexed hereto is being signed by me as director of the Company and my signature alone as a representative for the Company complies with the Company requirements for signing in the State of Delaware.
6. That the Company has not entered into liquidation or proceedings for liquidation at the date hereof and that I am not aware of any current proceedings for liquidation for the Company.


..........[signature]

I the said Notary have put the said SANDEEP WADHWA on oath to swear as aforesaid as the Company is incorporated outside the jurisdiction of England and Wales in which I am authorised to practise and I am therefore not able to state as aforesaid from my own knowledge.

And I further certify and attest that the signature of SANDEEP WADHWA on the document annexed is the true and genuine signature of the said SANDEEP WADHWA.

I have not advised SANDEEP WADHWA in relation to the content of the attached document and only verify his signature therein.

SIGNED and sealed at Apt 38, The Chiltern Place, 66 Chiltern Street, London, W1U 4EJ on the Sixth day July Two Thousand and Twenty Three.

..........
Notary Public
England and Wales

My Commission Expires: 31st October 2023.

Susan Anand Notary Public
41 Westbury Road
Northwood, Middlesex HA6 3DB
Tel: 07958 088 690
susan@london-notary.com



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.

FAY HOSPITALITY CATSKILLS LLC



By: SANDEEP WADHWA, PRESIDENT

Date: July 6, 2023

Sworn to before me this

Sixth day of July, 2023,
at Apt 38, The Chiltern Place, 66 Chiltern
Street, London, W1U 4EJ.



Notary Public

My Commission Expires: 31st October 2023.



Susan Anand Notary Public
41 Westbury Road
Northwood, Middlesex HA6 3DB
Tel: 07958 088 690
susan@london-notary.com

ATTACHMENT C

Project Description - Fay Hospitality Catskills LLC

Fay Hospitality Catskills LLC (“Fay” or the “Applicant”) is proposing to purchase, renovate, rejuvenate and operate the well-known Villa Roma Resort and Conference Center (“Villa Roma”) which is located on approximately 434 acres at 356 Villa Roma Road, Callicoon, New York. Villa Roma opened in 1970 and features 140 guest rooms, and an 18-hole golf course with driving range designed by James G. Harrison, ASGCA/Ferdinand Garbin, ASGCA. Additional amenities include a small ski area, pool areas, restaurants, a golf clubhouse and pro shop, tennis, fitness center and numerous other recreational activities. A new registration building was opened in September 2008.

The Villa Roma enjoys a favorable location in a secondary market and offers an outstanding array of activities and amenities. The Applicant, based on a thorough market analysis, believes that the Villa Roma 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.

Fay anticipates entering into agreements with the County of Sullivan Industrial Development Agency (“CSIDA”) to assist with its purchase, financing and renovation of the Property to retain and ultimately expand its resort offerings and create new employment opportunities. To this end, after purchasing the property for \$15.75M, Fay will invest \$5M in facility improvements including the immediate repair and renovation of the hotel, 139 guest rooms, the public spaces, the meeting spaces, the club forum and indoor pool, the club house, the recreation and fitness center, the catering center, the spa and the ski chalet, and invest \$2.4M in required structural and facility repairs, including emergency power for water and waste water, roof replacement, a replacement golf course irrigation system, and laundry repairs (the “Project”). As further inducement to invest in Sullivan County and make the Project a reality, the financial assistance required from the CSIDA include a limited real estate tax abatement, a sales and use tax exemption, and mortgage recording tax exemption (collectively, the “Financial Assistance”).

The Project is expected to retain the existing workforce of over 269 employees, including approximately 246 hotel staff, and 23 administrative and facilities staff. The jobs retained will continue to benefit the region.

Administrative: \$25,169 - \$110,034

(Officers, General Manager, Administration, Sales, Office Staff, Personnel/Payroll and Supervisors (housekeeping, waitstaff, executive chef))

Maintenance: \$43,326 – \$60,320

(Maintenance, Greenskeeper, Water/Sewer and Technicians)

Hotel:

\$29,640 - \$41,080

(Management, Administration, Reservations and Accounting/Billing)

\$22,880 - \$29,120

(Maids and Laundry Handlers)

\$22,880 - \$27,456

(Maitre'd and Bellman)

\$28,080 - \$38,480

(Cooks, Bakers, Bartenders, Bar Waitstaff, Waitstaff, Dishwashers and Potwashers)

\$27,456 – \$58,510

(Drivers, Floaters, DJs, Cashiers and Equipment Attendants)

Ski: \$27,456 - \$54,204

(Management, Lift Operators, Instructors, Ski Patrol, Ski Cook, Snow Makers and Maintenance)

Other Recreation: Golf, Tennis and Pool: \$27,456 - \$41,600

(Instructors, Administrative, Lifeguards, Safety Patrol and Maintenance (mowers and technicians))

Benefits: Health insurance and paid time off.

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law will be held by the County of Sullivan Industrial Development Agency (“Agency”) on Monday, August 14, 2023, at 9:00 a.m. local time, at the Town of Delaware Municipal Building, 104 Main Street, Hortonville, New York, 12745, in connection with the following matter:

Fay Hospitality Catskills LLC (“Company”) has submitted an application (“Application”), a copy of which is on file with the Agency, requesting the Agency’s assistance with respect to a certain project consisting of the: (i) acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the existing Villa Roma Resort and Conference Center including but not limited to (a) a resort hotel including 139 guest rooms with amenities (“Resort Hotel”); (b) an 18 hole golf course with driving range (“Golf Course”); (c) a golf clubhouse and pro shop (“Golf Clubhouse”); (d) a ski area (“Ski Area”); and (e) multiple pool areas, restaurants, a fitness center, and numerous other recreational facilities (“Related Facilities,” and together with the Resort Hotel, the Golf Course, the Golf Clubhouse, and the Ski Area, the “Resort and Conference Center”) situate on fourteen (14) parcels of real estate consisting of approximately 434 acres located at Villa Roma Road, County Road 164, and Polster Road, Town of Delaware (“Town”), County of Sullivan (“County”), State of New York and identified on the Town tax map as Section 5, Block 1, Lot 26.2; Section 20, Block 1, Lots 7.1, 8.2, 8.3, 9.1, 9.4, 9.6, 9.8, 9.9, 9.10, 11.3, 11.4, 12.6, and 14.2 (“Land”); (ii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (iii) construction of improvements to the Resort and Conference Center, the Land and the Equipment (collectively, the Resort and Conference Center, 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 leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance (“Financial Assistance”) to the Company in the form of sales and use tax exemption and mortgage recording tax exemption, consistent with the policies of the Agency, and a partial real property tax abatement.

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

Dated: August 2, 2023

By: COUNTY OF SULLIVAN INDUSTRIAL
DEVELOPMENT AGENCY

Fay Hospitality Catskills LLC

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

Villa Roma Resort and Conference Center



Benefit/Cost Analysis

Prepared by:

**Shepstone Management Company, Inc.
Planning & Research Consultants**

100 Fourth Street Honesdale, PA 18431
(570) 251-9550 FAX 251-9551

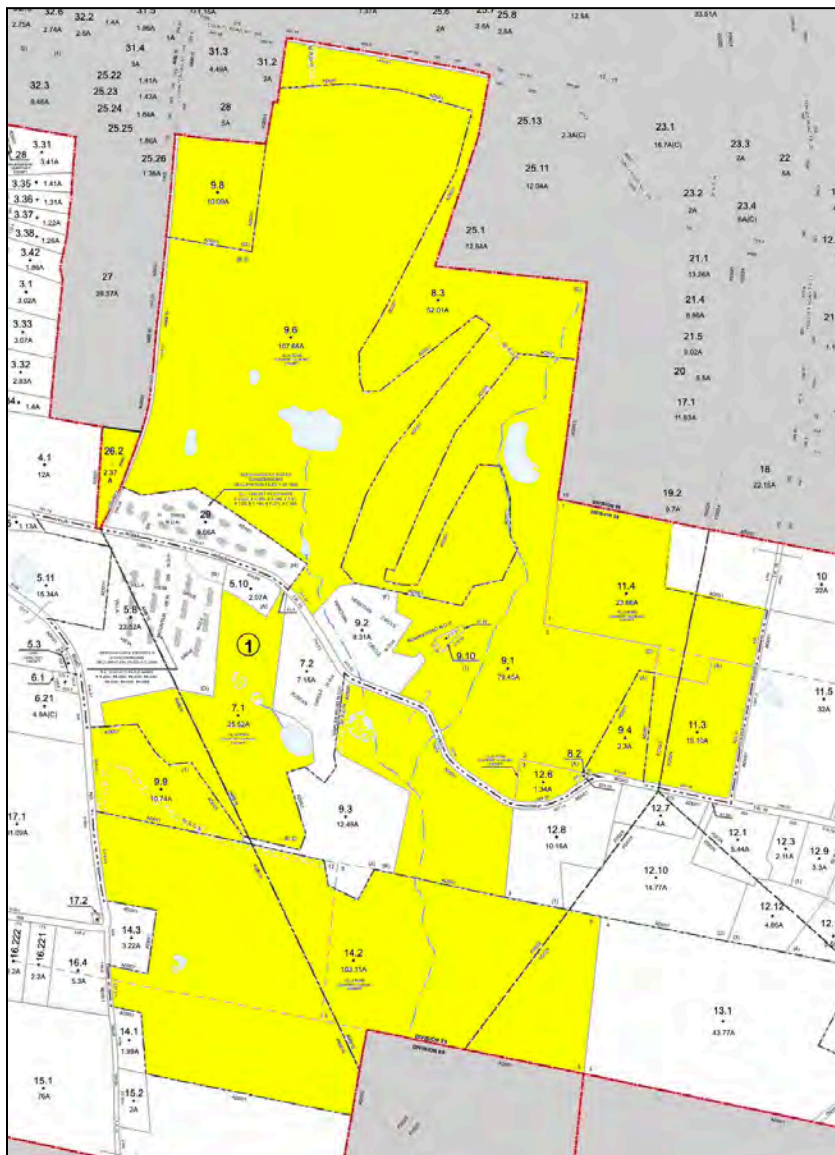
www.shepstone.net
mail@shepstone.net

August, 2023

Fay Hospitality Catskills LLC Benefit/Cost Analysis

Background:

Fay Hospitality Catskills LLC has applied for financial assistance for the revitalization of the Villa Roma Resort and Conference Center located on 434.46 acres of land located in the Town of Delaware. The following tax map parcels are involved:



Villa Roma Parcels		
S/B/L	Acres	Assessed Value
5-1-26.2	2.37	\$ 72,600
20-1-7.1	25.52	\$ 223,200
20-1-8.2	0.39	\$ 2,000
20-1-8.3	52.01	\$ 200,000
20-1-9.1	79.83	\$4,033,480
20-1-9.4	2.3	\$ 20,000
20-1-9.6	107.68	\$1,405,230
20-1-9.8	10.09	\$ 71,000
20-1-9.9	10.74	\$ 46,700
20-1-9.10	0.32	\$ 300,000
20-1-11.3	15.1	\$ 76,000
20-1-11.4	23.66	\$ 267,840
20-1-12.6	1.34	\$ 13,400
20-1-14.2	103.11	\$ 158,100
Totals	434.46	\$6,889,550

Fay Hospitality Catskills LLC Benefit/Cost Analysis

The project involves the revitalization and upgrading of the resort. It involves an applicant estimated \$7,867,930 in rehabilitation costs related to real property improvements of which \$5,000,000 is believed to be taxable as real property. An estimated \$3,175,000 will be spent on otherwise sales-taxable material purchases. It is anticipated the additional real property involved will have an equalized assessed value of \$2,900,000 at the current equalization rate.



Fay Hospitality Catskills 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.

Fay Hospitality Catskills LLC Benefit/Cost Analysis

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



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

Fay Hospitality Catskills LLC Benefit/Cost Analysis

Methods and Assumptions:

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

- 1) This new construction project involves an estimated \$3,175,000 in otherwise sales taxable material purchases. Additionally, an estimated \$1,625,000 of the purchase price is allocated to otherwise taxable personal property for a total of \$4,800,000 in expenditures on otherwise taxable items.
- 2) It is assumed, for purposes of this analysis, that all project construction activities will occur in 2023-2024 with the facility opening some time after August 1, 2023 and real property tax abatement beginning in 2025. It is further assumed the IDA will approve a PILOT Agreement under or comparable to the Sullivan County IDA's [Uniform Tax Exemption Policy Tourism Industry Program \(§301.c\) or a comparable program](#); the PILOT to apply to the estimated costs of improving the existing real property.



Fay Hospitality Catskills LLC

Benefit/Cost Analysis

The Town of Delaware equalization rate for 2023 is 58.00%, which is down from 68.74% in 2022 and 88.50% in 2021. The PILOT schedule, before equalization and applying current tax rates is as follows.

Tourist Industry Program Real Property Tax General Abatement Schedule		
Year	% Abated	PILOT %
1	100.00%	0.00%
2	100.00%	0.00%
3	100.00%	0.00%
4	100.00%	0.00%
5	100.00%	0.00%
6	90.00%	10.00%
7	80.00%	20.00%
8	70.00%	30.00%
9	60.00%	40.00%
10	50.00%	50.00%
11	40.00%	60.00%
12	30.00%	70.00%
13	20.00%	80.00%
14	10.00%	90.00%
15	0.00%	100.00%

- 3) The application to the IDA indicates there will be a \$15,300,000 mortgage to which mortgage tax abatement will apply.

- 4) There are expected to be 65 full-time equivalent (FTE) construction jobs created at an average salary of \$65,000 for the period. Some 269 jobs will be retained but have not been counted as a specific benefit for purposes of this particular analysis. An economic multiplier of 1.50 is applied to these construction salaries for purposes of calculating personal income benefits and sales attributable to increased buying power, assuming 50% of construction jobs are local residents.

Fay Hospitality Catskills LLC Benefit/Cost Analysis

- 5) The annual costs to local government for providing highway maintenance and other non-educational services in the Town of Delaware are expected to be zero because construction employment is unlikely to generate any new residents.
- 6) Sales taxes attributable to food, beverage and retail sales on-site are estimated on the basis that \$5 million in new investment would, at \$250 per square feet, ordinarily purchase the equivalent of 20,000 sf of retail space and, at \$200 per square foot of sales, this should increase annual taxable sales by \$4 million.



- 7) It is assumed room revenue will represent 50% of new sales taxable sales or \$2 million and that room tax at 5% will also apply this share of revenue.

Fay Hospitality Catskills LLC Benefit/Cost Analysis

- 8) Cash flow streams from benefits and costs are net present valued using a discount rate of 2.761% ([current interest rate on the public debt](#)). Net present value figures include actual costs of abatements and other costs for the construction/start-up period (2023-2024) plus discounted values for 2025-2044, providing a reasonable period for assessing the full benefits and costs of the project.
- 9) Current ad valorem real property tax rates within the Town of Delaware, Sullivan County, are as follows:

Tax Rates	
Tax Category	% of Assessed Value
Medicaid	0.24%
NYS Welfare Mandate	0.16%
Other NYS Mandates	0.28%
County Levy	0.27%
County Total	0.95%
Town to Highway	0.72%
Town Total	0.72%
School Tax Rate	1.55%
Combined Total	3.22%

The school tax rate is the latest available. There is no library tax but there is an ambulance tax and fire tax that have not been considered.

Fay Hospitality Catskills LLC

Benefit/Cost Analysis

Conclusion:

This project will generate estimated costs of \$1,760,491 in mortgage, real property and sales tax abatements over the period of the standard PILOT agreement. Net present valued, this equates to a total cost of \$1,560,248.

The project benefits consist of real property taxes associated with taxable real property improvements (\$1,623,417), construction payroll gains (\$4,225,000), multiplier effects (\$1,805,343), sales taxes from those payroll gains (\$241,214), sales taxes from operations (\$6,273,000) and room taxes (\$1,989,872) that, altogether, at net present value, total \$16,157,906 combined over the analysis period.

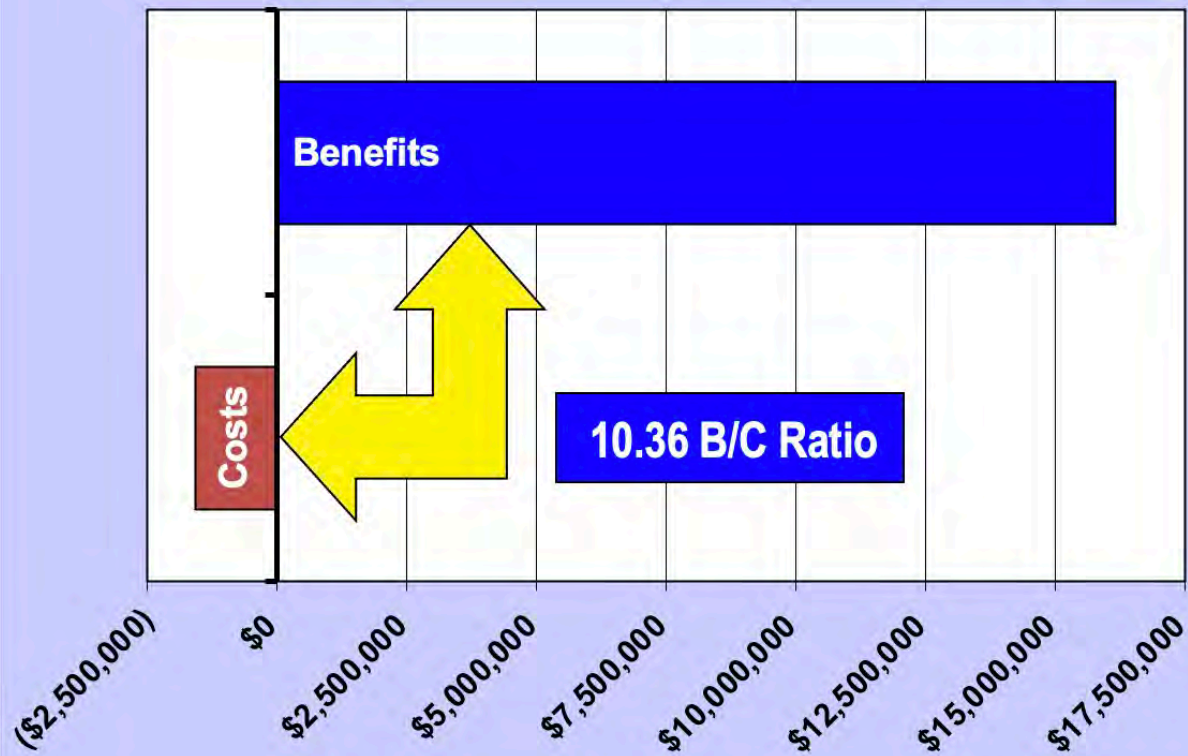
This yields a positive benefit/cost ratio of 10.36. Netting out the construction payroll gains, the ratio is 6.49.

Fay Hospitality Catskills LLC

Benefit/Cost Analysis

Project Cost/Benefit Analysis	
Costs (2023-2044)	
Sales Tax Abatements (County)	\$192,000
Sales Tax Abatements (State)	\$192,000
Mortgage Tax Abatements	\$153,000
Real Property Tax Reductions Net of 485-b Benefits	\$1,223,491
Sub-Total (Value of All Abatements) =	\$1,760,491
Net Present Value of Abatements	\$1,560,248
Additional School Costs	\$0
Variable Highway & Other Municipal Costs	\$0
Total Costs (Net Present Value)=	\$1,560,248
Benefits (Net Present Value, 2023-2044)	
Property Taxes Related to Improvements	\$1,623,417
Sales Taxes (General - From Gains in Buying Power)	
County	\$120,607
State	\$120,607
Sales Taxes (From Operations)	
County	\$3,136,530
State	\$3,136,530
Room Taxes	\$1,989,872
Sub-Total (Taxes/Charges) =	\$10,127,563
Personal Income Gains Related to New Jobs	\$4,225,000
Personal Income Gains Related to Multiplier Effects	\$1,805,343
Sub-Total (Income Gains) =	\$6,030,343
Total Benefits =	\$16,157,906
Gross Excess Benefits Over Costs =	\$14,597,657
Gross Benefits to Costs Ratio =	10.36
B/C Ratio Net of Income Gains =	6.49

Project Benefits vs. Costs



	Costs	Benefits
Impacts	(\$1,560,248)	\$16,157,906

Fay Hospitality Catskills LLC Benefit/Cost Analysis

Benefit/Cost Analysis of Tax Abatements												
FISCAL YEAR	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
DESCRIPTION	1	2	3	4	5	6	7	8	9	10	11	
Construct / Startup												
Sales Tax Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Mortgage Tax Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Real Property Tax Abatement	\$76,921	\$87,151	\$97,926	\$109,269	\$121,205	\$115,924	\$110,217	\$104,063	\$97,441	\$90,328	\$82,700	
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	\$0	\$0	\$0	\$0	\$0	\$17,834	\$36,739	\$56,762	\$77,953	\$100,364	\$124,050	
Total Real Property Taxes Without Project	\$465,036	\$493,357	\$508,158	\$523,402	\$539,104	\$555,278	\$571,936	\$589,094	\$606,767	\$624,970	\$643,719	
Total Real Property Taxes With Project	\$465,036	\$493,357	\$508,158	\$523,402	\$539,104	\$573,112	\$608,675	\$645,856	\$684,719	\$725,334	\$767,769	
Personal Income - Construction Employment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Indirect Income Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Added Sales Tax (General)	\$241,214	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Added Sales Tax (Operations)	\$81,862	\$320,000	\$329,600	\$339,488	\$349,673	\$360,163	\$370,968	\$382,097	\$393,560	\$405,366	\$417,527	
Room Tax	\$0	\$100,000	\$106,090	\$109,273	\$112,551	\$115,927	\$119,405	\$122,987	\$126,677	\$130,477	\$134,392	

Benefit/Cost Analysis of Tax Abatements												
FISCAL YEAR	2036	2037	2038	2039	2040	2041	2042	2043	2044	TOTALS		
DESCRIPTION	12	13	14	15	16	17	18	19	20	Actual	NPV	
Sales Tax Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$384,000	\$384,000	
Mortgage Tax Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$153,000	\$153,000	
Real Property Tax Abatement	\$63,886	\$43,868	\$22,592	\$0	\$0	\$0	\$0	\$0	\$0	\$1,223,491	\$1,023,248	
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	\$149,067	\$175,473	\$203,329	\$232,699	\$239,680	\$246,870	\$254,276	\$261,905	\$269,762	\$2,446,763	\$1,623,417	
Total Real Property Taxes Without Project	\$663,030	\$682,921	\$703,409	\$724,511	\$746,247	\$768,634	\$791,693	\$815,444	\$839,907	\$13,335,605	\$9,996,272	
Total Real Property Taxes With Project	\$812,097	\$858,394	\$906,738	\$957,210	\$985,927	\$1,015,504	\$1,045,970	\$1,077,349	\$1,109,669	\$15,782,368	\$11,619,689	
Personal Income - Construction Employment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,225,000	\$4,225,000	
Indirect Income Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,805,343	\$1,805,343	
Added Sales Tax (General)	\$430,053	\$442,955	\$456,243	\$469,931	\$484,029	\$498,550	\$513,506	\$528,911	\$544,779	\$241,214	\$241,214	
Added Sales Tax (Operations)	\$138,423	\$142,576	\$146,853	\$151,259	\$155,797	\$160,471	\$165,285	\$170,243	\$175,351	\$8,439,260	\$6,273,060	
Room Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,687,037	\$1,989,872	

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on August 14, 2023 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	[]	[]
Kathleen Lara	[]	[]

The following persons were also present:
Jennifer M. Flad, Executive Director
John W. Kiefer, Chief Executive Officer
Julio Garaicoechea, Project Manager
Bethanii Padu, Economic Development Coordinator
Walter F. Garigliano, Agency General Counsel

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

Resolution No. _____ - 23

RESOLUTION OF THE AGENCY APPOINTING FAY HOSPITALITY CATSKILLS LLC (“COMPANY”) AS ITS AGENT FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, RECONSTRUCTING, RENOVATING, REHABILITATING, INSTALLING AND EQUIPPING THE PROJECT (HEREINAFTER DEFINED); MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT AND PROJECT AGREEMENT BETWEEN THE AGENCY AND THE COMPANY; AUTHORIZING THE AGENCY TO EXECUTE THE LEASE TO AGENCY (“LEASE”), LEASEBACK TO COMPANY (“LEASEBACK”), PAYMENT IN LIEU OF TAX AGREEMENT (“PILOT AGREEMENT”) AND RELATED DOCUMENTS WITH RESPECT TO THE ACQUISITION, RENOVATION, REHABILITATION, INSTALLATION AND EQUIPPING OF THE PROJECT

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

WHEREAS, on or about July 7, 2023, the Company presented an application to the Agency ("Application"), a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the: (i) acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the existing Villa Roma Resort and Conference Center including but not limited to (a) a resort hotel including 139 guest rooms with amenities ("Resort Hotel"); (b) an 18 hole golf course with driving range ("Golf Course"); (c) a golf clubhouse and pro shop ("Golf Clubhouse"); (d) a ski area ("Ski Area"); and (e) multiple pool areas, restaurants, a fitness center, and numerous other recreational facilities ("Related Facilities," and together with the Resort Hotel, the Golf Course, the Golf Clubhouse, and the Ski Area, the "Resort and Conference Center") situate on fourteen (14) parcels of real estate consisting of approximately 434 acres located at Villa Roma Road, County Road 164, and Polster Road, Town of Delaware ("Town"), County of Sullivan ("County"), State of New York and identified on the Town tax map as Section 5, Block 1, Lot 26.2; Section 20, Block 1, Lots 7.1, 8.2, 8.3, 9.1, 9.4, 9.6, 9.8, 9.9, 9.10, 11.3, 11.4, 12.6, and 14.2 ("Land"); (ii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) construction of improvements to the Resort and Conference Center, the Land and the Equipment (collectively, the Resort and Conference Center, 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 acquiring, constructing, reconstructing, renovating, rehabilitating, installing and equipping the Project; (ii) negotiate and enter into an Agent and Project Agreement, the Lease, the Leaseback and the PILOT Agreement and related documents 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 acquiring, constructing, renovation, rehabilitation, installation and equipping of the Project; (b) a real property tax abatement on increased value resulting from improvements to the Land through the PILOT Agreement; and (c) a mortgage tax exemption for financing related to the Project; and

WHEREAS, the total financial assistance being contemplated by the Agency is greater than \$100,000 and therefore the proposed action was subject to a public hearing; and

WHEREAS, the Agency determined that the Application which involves the renovation and rehabilitation of existing buildings is a Type II Action under SEQR and no further action is required; and

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

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

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

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

- (A) The Project consists of the renovation and rehabilitation of existing buildings;
- (B) The Project is a Type II action under SEQR 6 NYCRR 617.5(c)(1) and accordingly, no further action is needed; and
- (C) The Project qualifies for financial assistance under the Agency's Uniform Tax Abatement Policy.

A copy of this resolution shall be placed on file in the office of the Agency where the

same shall be available for public inspection during business hours.

Section 3. A public hearing on due notice was held on August 14, 2023 at 9:00 a.m., local time, at the Town of Delaware Municipal Building, 104 Main Street, Hortonville, New York 12745 at which hearing comments relating to the proposed financial assistance were solicited. Said public hearing was open to the general public and public notice of the time and place of said public hearing was duly given in accordance with the applicable provisions of the General Municipal Law of the State.

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

- (A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;
- (B) It is desirable and in the public interest for the Agency to (i) acquire an interest in the Land and to take a leasehold interest in the improvements and personal property constituting the Project; (ii) appoint the Company as its agent for purposes of acquiring, constructing, reconstructing, renovating, rehabilitating, installing and equipping the Project, and (iii) lease the Land, improvements and personal property constituting the Project to the Company pursuant to the Lease 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 acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency to acquire, construct, reconstruct, renovate, rehabilitate, install and equip the Project on behalf of the Agency; with the authority to delegate its status as agent of the Agency to the Company's agents, subagents, contractors, subcontractors, suppliers, vendors and other such parties as the Company may choose. The appointment described above includes the following activities as they relate to the acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Project; (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project; (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with the acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project; and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible

personal property (including installation costs with respect thereto), installed or placed in, upon or under the Project, including all repairs and replacements of such property. This Agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Project, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to reconstruct and equip the Project shall expire on February 29, 2024 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 \$4,800,000 which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$384,000. 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) while the terms of the PILOT Agreements are not consistent with the Agency's Uniform Tax Exemption Policy a deviation therefrom has been approved by the Agency.

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 in the form presented at this meeting 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	<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
Kathleen Lara	<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 August 14, 2023 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	[]	[]
Kathleen Lara	[]	[]

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
Kathleen Lara	[] 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 14^h day of August, 2023.

Carol Roig, Secretary

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: Homesteadt LLC

Address: Physical: 15 Back Shandee Road, Livingston Manor, NY 12758
Mailing: PO BOX 186, Livingston Manor, NY 12758

Phone No.: 914 426 8430

Telefax No.: _____

Email Address: tom@homesteadt.com

Fed Id. No.: 82-5252250

Contact Person: Thomas Roberts

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

Principal Owners (Shareholders/Members/Owners): _____
Homesteadt: Anna Aberg 51%, Thomas Roberts 49%.

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: _____
State of incorporation: _____

_____ **Partnership**

General _____ **or Limited** _____
Number of general partners _____

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

Limited Liability Company/Partnership (number of members 2)

Date of organization: April 18th 2018
State of organization: New York

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: North Branch Cider Mill LLC
Address: Physical: 44 North Branch Callicoon Centre Road, North Branch, NY 12766
Mailing: PO BOX 186, Livingston Manor, NY 12758
Phone No.: 914 426 8430
Telefax No.: _____
Email Address: tom@homesteadt.com
Fed Id. No.: Awaiting EIN for North Branch Cider Mill LLC
Contact Person: Thomas Roberts

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

Principal Owners (Shareholders/Members/Owners): Thomas Roberts: 100%

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: _____
State of incorporation: _____

_____ Partnership

General _____ or Limited _____
Number of general partners _____
If applicable, number of limited partners _____
Date of formation: _____
Jurisdiction formation: _____

Limited Liability Company/Partnership (number of members 1)

Date of organization: December 1st 2022
State of organization: New York

_____ 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: Jared K. Hart
Address: 10 Horseshoe Lake Rd, Kauneonga Lake, NY 12749
Phone No.: (845) 707-6748
Telefax No.: _____
Email Address: jaredkhart@gmail.com

II. REQUESTED FINANCIAL ASSISTANCE

	<u>Estimated Value</u>
Real Property Tax Abatement (estimated)	\$ <u>TBD</u>
Mortgage Tax Exemption	\$ <u>\$8,720</u>
Sales and Use Tax Exemption	\$ <u>\$45,000</u>
Issuance by the Agency of Tax Exempt Bonds	\$ <u>\$0</u>

III. PROJECT INFORMATION

A.) Project Location:

Project Address: 38 and 44 North Branch Callicoon Centre Road, North Branch, NY 12766
Tax Map Number(s): 24.-6-5.2 and 25.-1-50.2 and 25.-1-23.2
Located in the Village of: N/A
Located in Town of Callicoon
Located in the School District of Sullivan West
Located in Hamlet of North Branch

(i) Are Utilities on Site?

Water/Sewer Well and Septic Electric x
Gas _____ Storm Sewer _____

(ii) Present legal owner of the site: North Branch Cider Mill LLC

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

(iii) Zoning of Project Site: Current: BD & SD Proposed: BD

(iv) Are any variances needed: YES

(v) Principal Use of Project upon completion: Commercial / Business
Cider Mill, Country Store, Tea Room/Cafe, Home Goods Store, Wood Shop, Office

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

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

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

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

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

E.) Will the Project include facilities or property that will be primarily used in making retail sales of goods or provide services to customers who personally visit such facilities? 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. Extensive renovation and improvement of both buildings from seasonal use to year round use.
_____ Addition of commercial wood shop (Equipment), Addition of commercial kitchen (equipment),
Restoration and upgrade of cider press (equipment), Addition of parking in vacant lot.

G.) COSTS AND BENEFITS OF THE PROJECT

Costs = Financial Assistance

Estimated Sales Tax Exemption	\$ 45,000
Estimated Mortgage Tax Exemption	\$ 8,720
Estimated Property Tax Abatement	\$ TBD
Estimated Interest Savings IRB Issue	\$ TBD

Benefits= Economic Development

Jobs created	\$ 8 FT OR FT Equivalent
Jobs retained	\$ _____
Private funds invested	\$ 1,281,000 (including bank financing)
Other Benefits	\$ _____

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

Construction:	5
Permanent:	8
Retained (at current facility):	

Project Costs (Estimates)	
Land and Existing Buildings	\$ 270,000
Soft Costs (5%)	\$ 15,000
Other	\$ 1,132,000
Total	\$ 1,417,000

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.

$$[\$75,000 \text{ (IDA)} + \$61,000 \text{ (SCP)}] / \$1,417,000 \text{ (Total Project Cost)} = 9.6\%$$

Private financing to include \$470,000 applicant investment, \$811,000 bank financing

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.

8

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

3-4 Years

- 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.

Refer to appendix for salary - 2 weeks vacation + social security, workers compensation and New York State disability benefits for full time employees

Workers compensation and New York State Disability Benefits for part time employees

- 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 _____
Scale and speed of project would likely be significantly reduced without financial assistance
-

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.

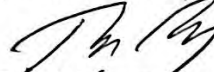
G.) The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

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)

Tom Roberts, Owner North Branch Cider Mill LLC, Co Owner Homesteadt

Date: 09/03/2023

(APPLICANT)



By: (NAME, TITLE)

Anna Aberg Co Owner Homesteadt

Date: 09/03/2023

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

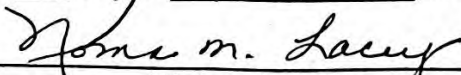
Thomas Roberts, being first duly sworn, deposes and says:

1. That I am the owner of North Branch Cider Mill LLC (collectively, the, "Applicant") and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.



(NAME) Thomas Roberts

Subscribed and affirmed to me under penalties of perjury
this 3rd day of AUGUST, 2023.



(Notary Public)

NOMA M. LACEY
Notary Public, State of New York
NYS Reg. No. 01LA5088238
Qualified In Delaware County
Commission Expires Nov. 17, _____

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

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

HOLD HARMLESS AGREEMENT

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

(APPLICANT)



By: (NAME, TITLE)

Tom Roberts, Owner North Branch Cider Mill LLC, Co Owner Homesteadt

Date: 09/03/2023

(APPLICANT)



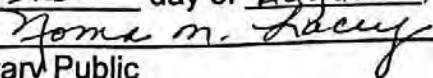
By: (NAME, TITLE)

Anna Aberg Co Owner Homesteadt

Date: 09/03/2023

Sworn to before me this

3rd day of August, 2023



Notary Public

NOMA M. LACEY
Notary Public, State of New York
NYS Reg. No. 01LA5088238
Qualified in Delaware County
Commission Expires Nov. 17, 2025

APPENDIX 1

STAFFING DETAIL

FULL TIME	YEAR 1	YEAR 2	YEAR 3	YEAR 4
Cider Mill Manager	\$60,000	\$60,000	\$60,000	\$60,000
Homesteadt Barn Manager		\$70,000	\$70,000	\$70,000
Chef		\$70,000	\$70,000	\$70,000
Assistant Chef		\$40,000	\$40,000	\$40,000
Junior Designer			\$60,000	\$60,000
Total FT	1	4	5	5
PART TIME				
Cider Mill Sales Associate	\$32,000	\$32,000	\$32,000	\$32,000
Tea Room Assistant		\$32,000	\$32,000	\$32,000
Cider Making Assistant		\$32,000		
Homesteadt Barn and Wood Shop Carpenter			\$32,000	\$32,000
Total hours per Wk	24	72	96	96
Equivalent FT	0.75	2.25	3	3
TOTAL FT OR EQUIVALENT	1.75	6.25	8	8

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law will be held by the County of Sullivan Industrial Development Agency (“Agency”) on August 14, 2023 at 10:00 a.m., local time, at the Town of Callicoon Town Hall, 19 Legion Street, Jeffersonville, New York, 12748, in connection with the following matter:

Homstedt, LLC (“Homstedt”) and North Branch Cider Mill LLC (“NB Cider Mill,” and together with Homstedt collectively, the “Company”) has submitted an application (“Application”), a copy of which is on file with the Agency, requesting the Agency’s assistance with respect to a certain project consisting of the: (i) construction, reconstruction, renovation, rehabilitation, installation and equipping of two (2) buildings aggregating approximately 11,000+/- square feet intended to be tourism destination, dining establishment, retail shops, design studio, and residence (collectively, the “Buildings”) together with the related parking area (“Parking Area”) situate on three (3) parcels of real estate consisting of approximately 2.25+/- acres located at 38 and 44 North Branch-Callicoon Center Road, North Branch, Town of Callicoon (“Town”), County of Sullivan, State of New York and identified on the Town’s tax map as Section 24, Block 6, Lot 5.2 and Section 25, Block 1, Lots 23.2 and 50.2 (“Land”); (ii) acquisition, construction and equipping of the Buildings and Parking Area; (iii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (iv) construction of improvements to the Buildings, the Parking Area, the Land and the Equipment (collectively, the Buildings, the Parking Area, the Land and the Equipment are referred to as the “Facility”); and (v) lease of the Facility from the Agency to the Company.

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

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

Dated: August 2, 2023

By: COUNTY OF SULLIVAN INDUSTRIAL
DEVELOPMENT AGENCY

Homestead LLC North Branch Cider Mill LLC

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



North Branch Cider Mill & Barn

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

August, 2023

North Branch Cider Mill & Barn Benefit/Cost Analysis

Background:

Homstedt LLC and North Branch Cider Mill LLC. (hereinafter jointly referred to as “North Branch Cider Mill & Barn”) has applied for financial assistance for the purchase and upgrade of a facility of the same name at 38 and 44 North Branch Callicoon Center Road in the Town of Callicoon (Tax Map Parcels 24-6-5.2, 25-1-23.2 and 25-1-50.2). The project involves the restoration of the Cider Press operation and adding of a country store, tea-room and garden, home goods store, garden store, commercial wood shop and design studio into the space.



It is estimated \$1,417,000 will be invested, including \$1,132,000 to upgrade the property (of which an estimated 50% or \$566,000 represents sales taxable materials). This investment in rehabilitation of the facility will, at a 38.2% equalization rate, yields an

North Branch Cider Mill & Barn Benefit/Cost Analysis

estimated \$432,424 of assessed value for new real property improvements. North Branch Cider Mill & Barn 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.



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

North Branch Cider Mill & Barn Benefit/Cost Analysis

Methods and Assumptions:

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

- 1) The project involves an estimated \$1,132,000 in various improvements that qualify as real property, of which 50% or \$566,000 are assumed to be sales taxable material and equipment purchases. These improvements will be made in phases that are, purposes of this analysis, are considered as taking place over a 2023-24 construction period, although the actual period could be longer.

- 2) It is assumed the IDA will approve a PILOT Agreement under the IDA's [Section 301.b Uniform Tax Exemption Policy Retail Sales Program](#), the PILOT to apply to the value of the real property improvements times the 38.2% equalization rate for the Town of Callicoon. The PILOT schedule is detailed in the table to the right.

Real Property Tax [Retail Program] Abatement Schedule		
Year	% Abated	PILOT %
1	50.0%	50.0%
2	55.0%	45.0%
3	60.0%	40.0%
4	65.0%	35.0%
5	70.0%	30.0%
6	75.0%	25.0%
7	80.0%	20.0%
8	85.0%	15.0%
9	90.0%	10.0%
10	95.0%	5.0%
11	100.0%	0.0%
12	100.0%	0.0%
13	100.0%	0.0%
14	100.0%	0.0%
15	100.0%	0.0%

- 3) It is further assumed there will be a \$872,000 mortgage and mortgage tax abatement will be part of this project.

North Branch Cider Mill & Barn Benefit/Cost Analysis

- 4) It is anticipated this project will create or retain eight full-time equivalent jobs in Sullivan County at an average salary of \$53,500 per year with an equal number construction/operational jobs at the same rate during the construction period.
- 5) Additional annual costs to local government for providing highway maintenance and other non-educational services in the Town of Callicoon were estimated based on the annual tax levy per household with a total of two new households attracted (25% of employees x employment multiplier of 1.50).
- 6) Additional school costs are anticipated and are based on an estimated new 1-2 students at an average educational cost of \$19,600 net of state aid.
- 7) Sales taxes from operations are based on a conservative starting estimate of \$1,100,000 per year of sales, growing from there and adjusted for inflation, with an estimated 50% being new to Sullivan County as the facility would not continue to operate at the same level without the IDA assistance.
- 8) Cash flow streams from benefits and costs are net present valued using a discount rate of 2.566% ([current interest rate on the public debt](#)). Net present value figures include actual costs of abatements and other costs for 2023 plus discounted values for 2024-2044.



North Branch Cider Mill & Barn Benefit/Cost Analysis

Conclusion:

This project will generate costs of \$54,000 in real property, mortgage and sales tax abatements over the period of the standard PILOT agreement plus five years. Net present valued this equates to a total cost of \$54,000. There are also estimated highway and other municipal costs that, net present valued, amount to \$175,814 and school costs (\$41,015 at net present value).

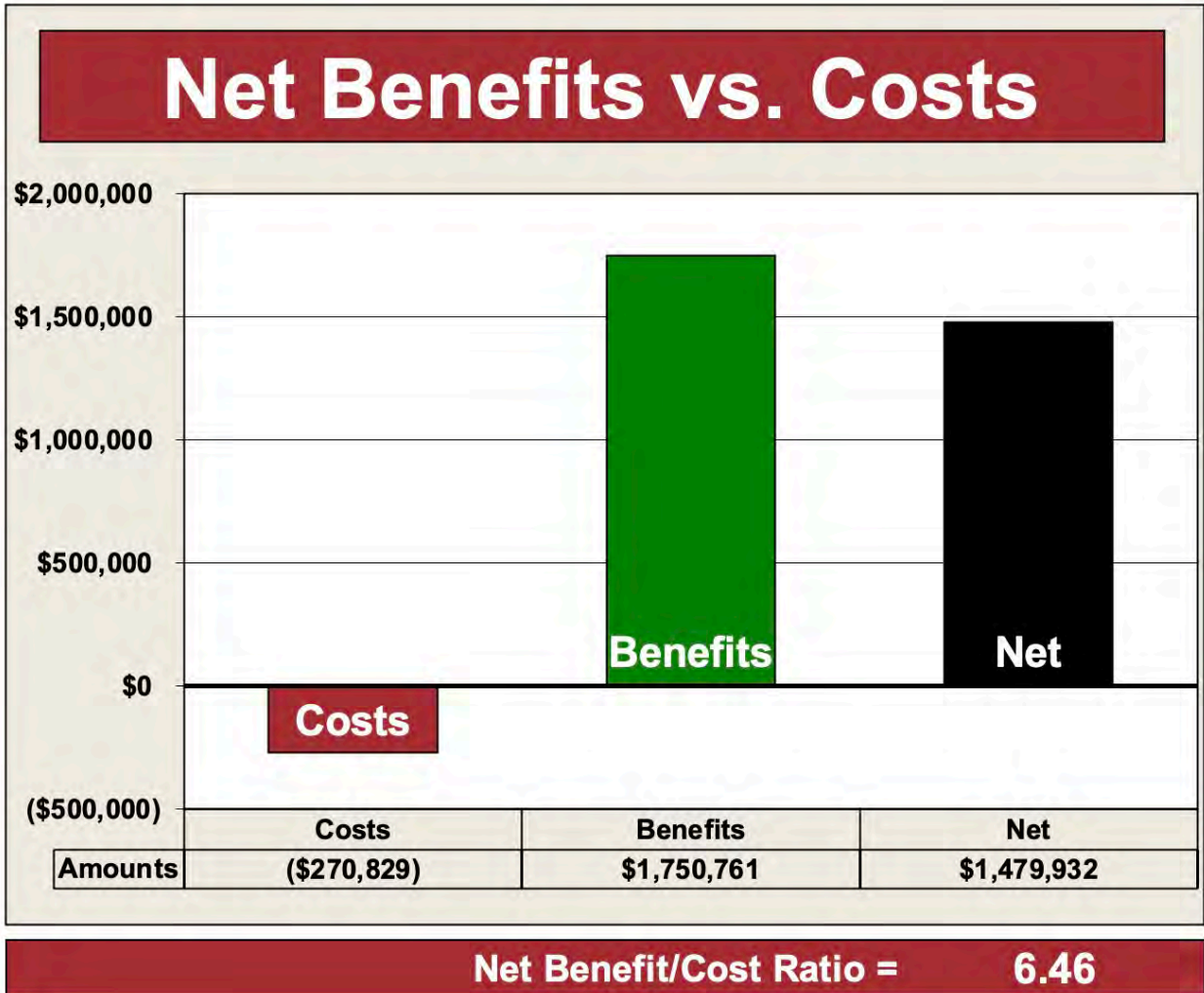
The project benefits, net present valued, consist of sales taxes from operations (\$1,365,772) and personal income gains, including multiplier effects, (\$2,255,612) for a total of \$4,006,373 over the analysis period.

This yields a positive benefit/cost ratio of 14.79 to 1.00. Leaving aside personal income gains, the ratio is still 6.46 to 1.00.

North Branch Cider Mill & Barn Benefit/Cost Analysis

Cost/Benefit Analysis	
Costs (2023-2044)	
Sales Tax Abatements (County)	\$22,640
Sales Tax Abatements (State)	\$22,640
Mortgage Tax Abatements	\$8,720
Real Property Tax Reductions Net of 485-b Benefits	\$0
Sub-Total (Value of All Abatements) =	\$54,000
Net Present Value of Abatements	\$54,000
Additional School Costs	\$41,015
Variable Highway & Other Municipal Costs	\$175,814
Total Costs (Net Present Value)=	\$270,829
Benefits (Net Present Value, 2023-2044)	
Real Property Taxes	\$384,989
Sales Taxes (From Operations)	
County	\$682,886
State	\$682,886
Personal Income Gains (New and Retained Jobs)	\$2,255,612
Total Benefits =	\$4,006,373
Excess Benefits Over Costs =	\$3,735,544
Excess Benefits Over Costs (Net of Income Gains)=	\$1,479,932
Benefits to Costs Ratio =	14.79
Net Benefits to Costs Ratio =	6.46

North Branch Cider Mill & Barn Benefit/Cost Analysis



North Branch Cider Mill & Barn Benefit/Cost Analysis

Economic Analysis of Project and Requested Tax Abatement Program												
FISCAL YEAR	2023-24	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
DESCRIPTION	C1	1	2	3	4	5	6	7	8	9	10	11
Sales Tax Abatement	\$45,280	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mortgage Tax Abatement	\$8,720	\$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	\$8,835	\$9,100	\$9,374	\$9,655	\$9,944	\$10,243	\$10,550	\$10,866	\$11,192	\$11,528	\$11,874
School Costs	\$0	\$2,061	\$2,123	\$2,187	\$2,252	\$2,320	\$2,389	\$2,461	\$2,535	\$2,611	\$2,689	\$2,770
Real Property Taxes	\$0	\$11,189	\$12,677	\$14,245	\$15,895	\$17,631	\$19,457	\$21,376	\$23,394	\$25,513	\$27,738	\$30,074
Personal Income - New/Retained Jobs	\$0	\$110,210	\$116,922	\$120,429	\$124,042	\$127,764	\$131,597	\$135,544	\$139,611	\$143,799	\$148,113	\$152,556
Indirect Income Benefits	\$0	\$55,105	\$58,461	\$60,215	\$62,021	\$63,882	\$65,798	\$67,772	\$69,805	\$71,900	\$74,057	\$76,278
Added Sales Tax (Operations)	\$0	\$44,000	\$72,000	\$74,160	\$76,385	\$78,676	\$81,037	\$83,468	\$85,972	\$88,551	\$91,207	\$93,944

Economic Analysis of Project and Requested Tax Abatement Program												
FISCAL YEAR	2036	2037	2038	2039	2040	2041	2042	2043	2044	TOTALS		
DESCRIPTION	12	13	14	15	16	17	18	19	20	21	Actual	NPV
Sales Tax Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,280	\$45,280
Mortgage Tax Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,720	\$8,720
Real Property Tax Abatement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Highway/Other Costs	\$12,230	\$12,597	\$12,975	\$13,364	\$13,765	\$14,178	\$14,604	\$15,042	\$15,493	\$15,958	\$237,411	\$175,814
School Costs	\$2,853	\$2,939	\$3,027	\$3,118	\$3,211	\$3,308	\$3,407	\$3,509	\$3,614	\$3,723	\$55,385	\$41,015
Real Property Taxes	\$30,977	\$31,906	\$32,863	\$33,849	\$34,864	\$35,910	\$36,988	\$38,097	\$39,240	\$40,417	\$533,882	\$384,989
Personal Income - New/Retained Jobs	\$157,133	\$161,847	\$166,703	\$171,704	\$176,855	\$182,160	\$187,625	\$193,254	\$199,052	\$205,023	\$3,046,919	\$2,255,612
Indirect Income Benefits	\$78,567	\$80,924	\$83,351	\$85,852	\$88,427	\$91,080	\$93,813	\$96,627	\$99,526	\$102,512	\$1,523,460	\$1,127,806
Added Sales Tax (Operations)	\$96,762	\$99,665	\$102,655	\$105,734	\$108,906	\$112,174	\$115,539	\$119,005	\$122,575	\$126,252	\$1,852,415	\$1,365,772

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on August 14, 2023 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	[]	[]
Kathleen Lara	[]	[]

The following persons were also present:

- Jennifer M. Flad, Executive Director
- John W. Kiefer, Chief Executive Officer
- Julio Garaicoechea, Project Manager
- Bethanii Padu, Economic Development Coordinator
- Walter F. Garigliano, Agency General Counsel

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

Resolution No. _____ - 23

RESOLUTION OF THE AGENCY APPOINTING HOMESTEDT, LLC (“HOMESTEDT”) AND NORTH BRANCH CIDER MILL LLC (“NB CIDER MILL,” AND TOGETHER WITH HOMESTEDT COLLECTIVELY, THE “COMPANY”) AS ITS AGENT FOR THE PURPOSE OF CONSTRUCTING, RECONSTRUCTING, RENOVATING, REHABILITATING, INSTALLING AND EQUIPPING THE PROJECT (HEREINAFTER DEFINED); MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGENT AND PROJECT AGREEMENT BETWEEN THE AGENCY AND THE COMPANY; AUTHORIZING THE AGENCY TO EXECUTE THE LEASE TO AGENCY (“LEASE”), LEASEBACK TO COMPANY

(“LEASEBACK”), PAYMENT IN LIEU OF TAX AGREEMENT (“PILOT AGREEMENT”) AND RELATED DOCUMENTS WITH RESPECT TO THE CONSTRUCTION, RECONSTRUCTION, RENOVATION, REHABILITATION, INSTALLATION AND EQUIPPING OF THE PROJECT

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

WHEREAS, on or about July 28, 2023, the Company presented an application to the Agency (“Application”), a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the: (i) construction, reconstruction, renovation, rehabilitation, installation and equipping of two (2) buildings aggregating approximately 11,000+/- square feet intended to be tourism destination, dining establishment, retail shops, design studio, and residence (collectively, the “Buildings”) together with the related parking area (“Parking Area”) situate on three (3) parcels of real estate consisting of approximately 2.25+/- acres located at 38 and 44 North Branch-Callicoon Center Road, North Branch, Town of Callicoon (“Town”), County of Sullivan, State of New York and identified on the Town’s tax map as Section 24, Block 6, Lot 5.2 and Section 25, Block 1, Lots 23.2 and 50.2 (“Land”); (ii) acquisition, construction and equipping of the Buildings and Parking Area; (iii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (iv) construction of improvements to the Buildings, the Parking Area, the Land and the Equipment (collectively, the Buildings, the Parking Area, the Land and the Equipment are referred to as the “Facility” or the “Project”); and (v) lease of the Facility from the Agency to the Company; and

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

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

WHEREAS, the Agency determined that the Application which involves the adaptive reuse of the existing buildings is a Type II Action under SEQR and no further action is required; and

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

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

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

; 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 relating to the proposed financial assistance.

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

- (A) The Project consists of the adaptive reuse of existing buildings;

- (B) The Project is a Type II action under SEQR 6 NYCCR 617.5(c)(2) and accordingly, no further action is needed; and
- (C) The Project qualifies for financial assistance under the Agency's Uniform Tax Exemption Policy.

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

Section 3. The Agency has determined that the proposed financial assistance exceeds the sum of \$100,000.00 and therefore a public hearing on due notice was held on August 14, 2023 at 10:00 a.m. local time, at the Town of Callicoon Town Hall, 19 Legion Street, Jeffersonville, New York 12748, at which hearing comments relating to the proposed financial assistance were solicited. Said public hearing was open to the general public and public notice of the time and place of said public hearing was duly given in accordance with the applicable provisions of the General Municipal Law of the State.

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

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

Section 5. Subject to the Company executing an Agent and Project Agreement in form and substance approved by the Executive Director, the Agency hereby authorizes the Company to proceed with the construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency to construct, reconstruct, renovate, rehabilitate, install and equip the Project on behalf of the Agency; with the authority to delegate its status as agent of the Agency to the Company's agents, subagents, contractors, subcontractors, suppliers, vendors and other such parties as

the Company may choose. The appointment described above includes the following activities as they relate to the construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Project; (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project; (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with the construction, reconstruction, renovation, rehabilitation, installation and equipping of the Project; and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under the Project, including all repairs and replacements of such property. This Agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Project, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to reconstruct and equip the Project shall expire on February 29, 2024 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 **\$562,500**, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed **\$45,000**. 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 in the form presented at this meeting 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	<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
Kathleen Lara	<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 August 14, 2023 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	[]	[]
Kathleen Lara	[]	[]

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
Kathleen Lara	[] 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 14^h day of August, 2023.

Carol Roig, Secretary