

## RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened on April 7, 2025 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 Ira Steingart, and, upon the roll being called, the following members of the Agency were:

|                 | <u>PRESENT</u> | <u>ABSENT</u> |
|-----------------|----------------|---------------|
| Howard Siegel   | [     ]        | [   ✓   ]     |
| Kathleen Lara   | [     ]        | [   ✓   ]     |
| Philip Vallone  | [   ✓   ]      | [     ]       |
| Scott Smith     | [   ✓   ]      | [     ]       |
| Paul Guenther   | [     ]        | [   ✓   ]     |
| Sean Brooks     | [   ✓   ]      | [     ]       |
| Ira Steingart   | [   ✓   ]      | [     ]       |
| Joseph Perrello | [   ✓   ]      | [     ]       |

The following persons were also present:

Jennifer M. Flad, Executive Director

Ira Steingart, Chief Executive Officer

Julio Garaicoechea, Project Manager

Bethanii Padu, Economic Development Coordinator

The following resolution was duly offered by Sean Brooks, and seconded by Joseph Perrello, to wit:

### Resolution No. 07 - 25

*RESOLUTION AUTHORIZING THE CHAIRMAN, CHIEF EXECUTIVE OFFICER OR EXECUTIVE DIRECTOR OF THE AGENCY, EACH ACTING INDIVIDUALLY, TO EXECUTE AND DELIVER AN OMNIBUS AMENDMENT TO PROJECT DOCUMENTS AND ANY RELATED DOCUMENTS RELATING TO THE GIBBERS ESTATES LLC ("GIBBERS") AND M E P WHOLESALERS CORP. ("M E P", AND TOGETHER WITH GIBBERS, COLLECTIVELY, THE "COMPANY") PROJECT*

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

*WHEREAS*, on or about September 18, 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, installation and equipping of an approximately 15,000 +/- square foot building to include a heating, ventilation, air conditioning, and electrical supply retail sales facility with accessory office and warehousing space (“Building”) situate on one (1) parcel of real estate containing approximately 7.01 acres of land located on La Vista Drive, Town of Fallsburg (“Town”), County of Sullivan (“County”), State of New York and identified on the Town tax map as Section 60, Lot 1, Block 21.1 (“Land”); (ii) construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (iii) construction of improvements to the Building, the Land and the Equipment (collectively, the Building, the Land and the Equipment are referred to as the “Project”); and (iv) lease of the Project from the Agency to the Company; and

*WHEREAS*, by Resolution No. 41 – 23, dated November 13, 2023, the Agency authorized the Company to act as its agent for the purpose of acquiring, constructing, 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 acquisition, construction, installation and equipping of the Project; (b) a real property tax abatement on increased value resulting from improvements to the Land through the PILOT Agreement, which PILOT Agreement shall include language permitting the Company to seek enhanced benefits, in accordance with the Agency’s Retail Sales Program; and (c) a mortgage tax exemption for financing related to the Project; and

*WHEREAS*, on or about December 7, 2023, the Agency and the Company entered into the following documents:

1. Agent and Project Agreement;
2. Environmental Compliance and Indemnification Agreement;
3. Bill of Sale to Agency;
4. Bill of Sale to Company;
5. Lease to Agency and memorandum thereto (“Lease”);
6. Leaseback to Company and memorandum thereto (“Leaseback”); and
7. Payment in Lieu of Tax Agreement (“PILOT Agreement”);

; and

*WHEREAS*, on or about December 7, 2023, the Company borrowed Two Million One Hundred Thousand and 00/100 (\$2,100,000.00) Dollars (“2023 Loan”) as evidenced by a Promissory Note payable to Provident Bank (“Lender”); and

*WHEREAS*, the 2023 Loan was secured by a Building Loan Mortgage and Security Agreement (“Mortgage”); and

*WHEREAS*, to assist the Company to complete the Project, finance the construction of a new warehouse, for working capital and to cover closing costs, Lender agreed to increase the 2023 Loan by Three Hundred Thousand and 00/100 (\$300,000) Dollars to Two Million Four Hundred Thousand and 00/100 (\$2,400,000.00) Dollars (“SBA Loan” and together with the 2023 Loan, the “Loan”); and

*WHEREAS*, by Resolution No. 19-24, dated May 13, 2024, the Agency approved the additional financing for the Project and the execution and delivery of one or more mortgages in favor of Lender in an amount not to exceed Two Million Four Hundred Thousand and 00/100 (\$2,400,000.00) Dollars; and

*WHEREAS*, on or about June 11, 2024, the Agency joined in execution of a Mortgage and related documents to secure a Loan of Two Million Four Hundred Thousand and 00/100 (\$2,400,000.00) Dollars; and

*WHEREAS*, at the time of the Application, adoption by Resolution No. 41-23 and execution of the PILOT Agreement, it was anticipated that the Project would be completed and open for business prior to the March 1, 2024 taxable status date; and

*WHEREAS*, the Project was not completed by March 1, 2024 but has now been completed and is open for business; and

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

*WHEREAS*, the Agency contemplates (i) entering into an Omnibus Amendment to Project Documents to amend the PILOT Agreement to delay each applicable year of the exemption schedule contemplated by the PILOT Agreement by one year and to provide for a PILOT payment equal to what taxes would have been if the Agency was not involved in the Project for the payment due February 1, 2025; and (ii) authorizing its Chairman, Chief Executive Officer or Executive Director to execute and deliver the Omnibus Amendment to Project Documents and any related documents; and

*WHEREAS*, amending the PILOT Agreement makes it necessary to extend the term of the Lease and Leaseback.

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

Section 1. The Chairman, Chief Executive Office or Executive Director of the Agency, each acting individually, are hereby authorized, on behalf of the Agency, to execute and deliver the Omnibus Amendment to Project Documents together with any other documents necessary to authorize amendment of the Project Documents to account for the delayed completion of the Project.

Section 2. 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 and to execute any and all documents as may be necessary or convenient to implement the provisions of this resolution.

Section 3. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments, documents, and to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting on behalf of the Agency, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 4. These resolutions shall take effect immediately.

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

|                 |   |                             |  |                                  |
|-----------------|---|-----------------------------|--|----------------------------------|
| Howard Siegel   | <input type="checkbox"/> Yes            | <input type="checkbox"/> No | <input checked="" type="checkbox"/> Absent | <input type="checkbox"/> Abstain |
| Kathleen Lara   | <input type="checkbox"/> Yes            | <input type="checkbox"/> No | <input checked="" type="checkbox"/> Absent | <input type="checkbox"/> Abstain |
| Philip Vallone  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent            | <input type="checkbox"/> Abstain |
| Scott Smith     | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent            | <input type="checkbox"/> Abstain |
| Paul Guenther   | <input type="checkbox"/> Yes            | <input type="checkbox"/> No | <input checked="" type="checkbox"/> Absent | <input type="checkbox"/> Abstain |
| Sean Brooks     | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent            | <input type="checkbox"/> Abstain |
| Ira Steingart   | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent            | <input type="checkbox"/> Abstain |
| Joseph Perrello | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Absent            | <input type="checkbox"/> Abstain |

The resolutions were thereupon duly adopted.

STATE OF NEW YORK :  
:SS  
COUNTY OF SULLIVAN :

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

1. I have compared the foregoing copy of a resolution of the 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 April 7, 2025 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> |
|-----------------|----------------|---------------|
| Howard Siegel   | [ ]            | [ ✓ ]         |
| Kathleen Lara   | [ ]            | [ ✓ ]         |
| Philip Vallone  | [ ✓ ]          | [ ]           |
| Scott Smith     | [ ✓ ]          | [ ]           |
| Paul Guenther   | [ ]            | [ ✓ ]         |
| Sean Brooks     | [ ✓ ]          | [ ]           |
| Ira Steingart   | [ ✓ ]          | [ ]           |
| Joseph Perrello | [ ✓ ]          | [ ]           |

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

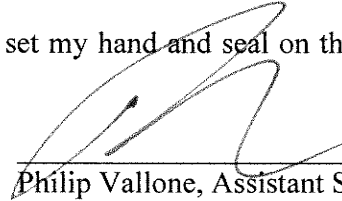
|                 |           |        |              |             |
|-----------------|-----------|--------|--------------|-------------|
| Howard Siegel   | [ ] Yes   | [ ] No | [ ✓ ] Absent | [ ] Abstain |
| Kathleen Lara   | [ ] Yes   | [ ] No | [ ✓ ] Absent | [ ] Abstain |
| Philip Vallone  | [ ✓ ] Yes | [ ] No | [ ] Absent   | [ ] Abstain |
| Scott Smith     | [ ✓ ] Yes | [ ] No | [ ] Absent   | [ ] Abstain |
| Paul Guenther   | [ ] Yes   | [ ] No | [ ✓ ] Absent | [ ] Abstain |
| Sean Brooks     | [ ✓ ] Yes | [ ] No | [ ] Absent   | [ ] Abstain |
| Ira Steingart   | [ ✓ ] Yes | [ ] No | [ ] Absent   | [ ] Abstain |
| Joseph Perrello | [ ✓ ] Yes | [ ] No | [ ] Absent   | [ ] Abstain |

and therefore, the resolution was declared duly adopted.

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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 7<sup>th</sup> day of April, 2025.



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Philip Vallone, Assistant Secretary