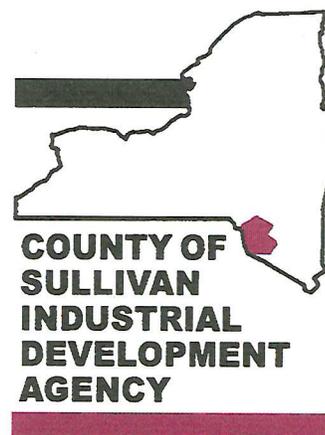


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MEMORANDUM

To:

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From: Jennifer Flad, Executive Director 
Date: January 23, 2026
cc: Walter Garigliano, Agency Counsel
Joseph McKay, Project Counsel
Howard A. Siegel, Agency Chairman
Subject: Deviation from Uniform Tax Exemption Policy

The County of Sullivan Industrial Development Agency (“Agency”) is contemplating deviating from its Uniform Tax Exemption Policy (“UTEP”) with respect to The Bethel Performing Arts Center, LLC (“BPAC”) Project.

BPAC constructed a performing arts center on fifteen (15) parcels of land along New York State Route 17B in the Town of Bethel (“Town”) identified on the Town tax map as Section 21, Block 1, Lots 1.1, 1.30, 1.4, 1.25, 1.3, 4.1, 5.1, 8, and 10, Section 22, Block 1, Lots 3, 4, and 64, Section 25, Block 1, Lot 20.1, and Section 26, Block 1, Lots 3.1 and 5 (“Land”) as agent of the Agency pursuant to transaction documents dated February 1, 2006 (the “Project”).

The final payment in lieu of tax (“PILOT Payment”) is due on February 1, 2026 and the Agency’s leasehold interest in the Project terminates on February 28, 2026. BPAC has requested that the Agency continue to have an interest in the Project for an additional ten years, to provide some certainty to BPAC with respect to PILOT payments while continuing to support the Agency’s economic development objectives. The Agency has no UTEP with a term of greater than twenty years, so a deviation is necessary to accomplish such an extension.

According to a recent study prepared by AKRF, the Project had 169 full-time equivalent employees during 2024, with \$9.5 million in direct labor income. Over 314,000 attendees visited the Project during 2024. The Project’s overall operations are estimated to have produced approximately \$36.2 million in total economic output in Sullivan County during 2024. Over the life of the Project (2006 through 2024), the total direct, indirect, and induced economic output from operations is estimated at \$690.8 million in New York State.

Given the Project’s significant positive contribution to Sullivan County and the surrounding area, and BPAC’s request for continued Agency involvement to provide some financial certainty going forward, the Agency proposes to amend and extend the term of the existing PILOT Agreement for ten (10) years. Under the existing PILOT Agreement, the annual PILOT Payment is \$69,676.52. The terms of the proposed amendment and extension are as follows:

Year	PILOT Due Date	School Fiscal Year Beginning	County and Town Year Beginning	PILOT Payment
1	February 15, 2027	July 1, 2026	January 1, 2027	\$113,035.72
2	February 15, 2028	July 1, 2027	January 1, 2028	\$113,035.72
3	February 15, 2029	July 1, 2028	January 1, 2029	\$113,035.72
4	February 15, 2030	July 1, 2029	January 1, 2030	\$113,035.72
5	February 15, 2031	July 1, 2030	January 1, 2031	\$113,035.72
6	February 15, 2032	July 1, 2031	January 1, 2032	\$113,035.72
7	February 15, 2033	July 1, 2032	January 1, 2033	\$113,035.72
8	February 15, 2034	July 1, 2033	January 1, 2034	\$113,035.72
9	February 15, 2035	July 1, 2034	January 1, 2035	\$113,035.72
10	February 15, 2036	July 1, 2035	January 1, 2036	\$113,035.72

All PILOT payments will be disbursed to the affected taxing jurisdictions. The Agency cannot abate special district taxes. As it has done throughout the term of the Project, BPAC will pay special district taxes on the full assessed value of the parcels throughout the ten-year extension period.

Section 874(4)(b) of the General Municipal Law of the State of New York requires the Agency to provide notice to all affected tax jurisdictions of the contemplated deviation from its UTEP.

The Agency will review and respond to any correspondence received from any affected tax jurisdiction regarding the foregoing proposed deviation. Comments on the proposal will be received until February 6, 2026. Any representative of an affected taxing jurisdiction may attend the Agency's February 9, 2026 meeting to be held at 11:00 AM at the Sullivan County Government Center, 100 North Street, Monticello, New York, to address the Agency regarding the proposed deviation.

Please contact me if you have any questions. Thank you.

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