

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency ("Agency") was convened on September 14, 2026 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 Chairman Howard A. Siegel, and, upon the roll being called, the following members of the Agency were:

	<u>PRESENT</u>	<u>ABSENT</u>
Howard A. Siegel	[√]	[]
Kathleen Lara	[]	[√]
Scott Smith	[√]	[]
Sean Brooks	[√]	[]
Ira Steingart	[√]	[]
Joseph Perrello	[√]	[]
Edward T. Sykes	[√]	[]

The following persons were also present:

Jennifer M. Flad, Executive Director

Ira Steingart, Chief Executive Officer

Bethanii Padu, Economic Development Coordinator

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

Resolution No. 31 - 26

RESOLUTION (I) AUTHORIZING THE CONSTRUCTION AND EQUIPPING OF AN APPROXIMATELY 10,000 SQUARE FOOT ADDITION TO THE GIBBERS ESTATES LLC ("GIBBERS") AND M E P WHOLESALERS CORP. ("M E P", AND TOGETHER WITH GIBBERS, COLLECTIVELY, THE "COMPANY") PROJECT ("2026 ADDITION PROJECT"); (II) MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE 2026 ADDITION PROJECT; (III) APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF CONSTRUCTING AND EQUIPPING THE 2026 ADDITION PROJECT; AND (IV) AUTHORIZING THE AGENCY TO EXECUTE AND DELIVER AN AMENDED AND RESTATED AGENT AND PROJECT AGREEMENT ("A&R AGENT AND PROJECT AGREEMENT"), AMENDED AND RESTATED LEASE TO AGENCY ("A&R LEASE AGREEMENT"), AMENDED AND RESTATED LEASEBACK TO COMPANY ("A&R LEASEBACK AGREEMENT"), AMENDED AND RESTATED PAYMENT IN LIEU OF TAXATION AGREEMENT ("A&R PILOT AGREEMENT") AND ANY OTHER RELATED DOCUMENTS WITH RESPECT TO THE CONSTRUCTION AND EQUIPPING OF THE 2026 ADDITION 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 ("State"); and

WHEREAS, on or about December 7, 2023, the Agency and Company entered into a Lease/Leaseback transaction relating to 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 "2023 Project" and together with the 2026 Addition Project, the "Project"); and (iv) lease of the 2023 Project from the Agency to the Company; and

WHEREAS, on or about December 7, 2023, the Agency and Company entered in various agreements with the Agency to obtain financial assistance, including without limitation, an Agent and Project Agreement, a Lease to Agency, a Leaseback to Company and a Payment in Lieu of Taxation Agreement (collectively, the "2023 Transaction Documents"); and

WHEREAS, at the time of execution of the 2023 Transaction Documents, it was anticipated that the 2023 Project would be completed prior to the March 1, 2024 taxable status date; and

WHEREAS, the 2023 Project was not completed by March 1, 2024; and

WHEREAS, it was 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 2023 Project; and

WHEREAS, by Resolution No. 07 - 25, adopted on April 7, 2025, the Agency (i) authorized the execution and delivery of an Omnibus Amendment to Project Documents to amend the 2023 PILOT Agreement to delay each applicable year of the exemption schedule contemplated by the 2023 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 2023 Project for the payment due February 1, 2025; and (ii) authorized its Chairman, Chief Executive Officer or Executive Director to execute and deliver the same; and

WHEREAS, effective as of May 1, 2025, the Agency and Company entered into an Omnibus Amendment to Project Documents to delay each applicable year of the exemption contemplated by the 2023 PILOT Agreement. Since amending the 2023 PILOT Agreement made it necessary to extend the term of the 2023 Lease and 2023 Leaseback, the Agency and Company also entered into an Amended Memorandum of Lease to Agency and an Amended Memorandum of Leaseback to Company; and

WHEREAS, on or about August 21, 2026, the Company has filed an application requesting the Agency to (i) consent to the construction and equipping of the 2026 Addition Project on the Land; (ii) appoint the Company as agent of the Agency; (iii) to amend the 2023 Transaction Documents to include construction and equipping of the 2026 Addition Project (“A&R Transaction Documents”); (iv) authorize its Chairman or Executive Director to sign the A&R Transaction Documents; (v) provide a sales tax exemption for the purchases related to the 2026 Addition Project; (vi) enter into a mortgage and abate mortgage tax in an amount not to exceed FORTY-FIVE THOUSAND and 00/100 (\$45,000.00) DOLLARS for the purpose of financing the Project; and (vii) provide a real property tax abatement on the Land through the A&R PILOT Agreement; and

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

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

WHEREAS, in determining whether the 2026 Addition Project may have significant adverse effects on the environment, the Town of Fallsburg Planning Board, acting as lead agency (“Planning Board”), completed an environmental review under SEQR for the 2026 Addition Project; and

WHEREAS, on May 8, 2025, the Planning Board determined that the 2026 Addition Project will not have a significant adverse impact on the environment and issued a Negative Declaration; and

WHEREAS, to aid the Agency in determining whether the 2026 Addition Project may have significant adverse effects on the environment, the Company presented a Short Environmental Assessment Form (“EAF”) to the Agency with respect to the 2026 Addition Project for its review; and

WHEREAS, the Agency wishes to (i) authorize the construction and equipping of the 2026 Addition Project; (ii) enter into the A&R Transaction Documents; (iii) authorize its Chairman or Executive Director to execute the A&R Transaction Documents and related documents between the Agency and the Company; (iv) provide a sales tax exemption relating to construction and equipping of the 2026 Addition Project; (v) provide a mortgage tax exemption for financing related to the Project; and (vi) provide a real property tax abatement on the Land through the A&R PILOT Agreement.

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

Section 1. The Company has presented to the Agency, among other things:

- (A) An Application in form acceptable to the Agency; and
- (B) An EAF.

Section 2. Based upon (i) the representations made by the Company to the Agency, (ii) a review of the EAF presented to the Agency, which was reviewed by the Agency on September 14, 2026, and (iii) related documents, the Agency hereby determines that:

- (A) The 2026 Addition Project constitutes an Unlisted Action under the SEQR;
- (B) The 2026 Addition Project will result in no major impacts and, therefore, is one which will not cause significant damage to the environment;
- (C) The 2026 Addition Project will not have a “significant effect on the environment” as such quoted term is defined in SEQR.
- (D) No “environmental impact statement” as such quoted term is defined in SEQR needs to be prepared for this action; and
- (E) This determination constitutes a negative declaration for purposes of SEQR.

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. The Chairman or Executive Director of the Agency, each acting individually, is hereby authorized, on behalf of the Agency, to execute and deliver the A&R Transaction Documents together with any other documents necessary to authorize the construction and equipping of the 2026 Addition Project.

Section 4. Subject to the Company executing the A&R Agent and Project Agreement in form and substance approved by the Executive Director, the Agency hereby authorizes the Company to proceed with the construction and equipping of the 2026 Addition Project and hereby appoints the Company as the true and lawful agent of the Agency to construct and equip the 2026 Addition Project on behalf of the Agency; with the authority to delegate its status as agent of the Agency to the Company’s agents, subagents, contractors, subcontractors, suppliers, vendors and other such parties as the Company may choose. The appointment described above includes the following activities as they relate to the construction and equipping of the 2026 Addition Project, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the 2026 Addition Project; (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the construction and equipping of the 2026 Addition Project; (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with the construction and equipping of the 2026 Addition 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 2026 Addition 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 2026

Addition Project, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to construct and equip the 2026 Addition Project shall expire on December 18, 2026 if the A&R Lease Agreement, A&R Leaseback Agreement and A&R PILOT Agreement have not been executed and delivered.

Section 5. The A&R Lease Agreement, A&R Leaseback Agreement, A&R PILOT Agreement and related documents, which were negotiated by the Executive Director, are hereby approved as to form and substance on condition that the payments under the A&R Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the 2026 Addition 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 2026 Addition Project.

Section 6. The Chairman or Executive Director of the Agency, each acting individually, is hereby authorized, on behalf of the Agency, to execute and deliver the A&R Transaction Documents and related documents, all with such changes, variations, omissions and insertions as the Chairman or Executive Director of the Agency shall approve, the execution thereof by the Chairman or Executive Director of the Agency to constitute conclusive evidence of such approval.

Section 7. The Chairman or Executive Director of the Agency, each acting individually, is hereby authorized, on behalf of the Agency, to execute and deliver one or more mortgages, assignments of leases and rent, security agreements, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or prepared on advice of counsel to the Agency ("Financing Documents"), provided that in all events recourse against the Agency is limited to the Agency's interest in the 2026 Addition Project.

Section 8. 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 9. 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 10. The Chairman, 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 11. These resolutions shall take effect immediately.

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

Howard A. Siegel	☒ Yes	☐ No	☐ Absent	☐ Abstain
Kathleen Lara	☐ Yes	☐ No	☒ Absent	☐ Abstain
Scott Smith	☒ Yes	☐ No	☐ Absent	☐ Abstain
Sean Brooks	☒ Yes	☐ No	☐ Absent	☐ Abstain
Ira Steingart	☒ Yes	☐ No	☐ Absent	☐ Abstain
Joseph Perrello	☒ Yes	☐ No	☐ Absent	☐ Abstain
Edward T. Sykes	☒ Yes	☐ No	☐ Absent	☐ 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 September 14, 2026 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 A. Siegel	[☒]	[]
Kathleen Lara	[]	[☒]
Scott Smith	[☒]	[]
Sean Brooks	[☒]	[]
Ira Steingart	[☒]	[]
Joseph Perrello	[☒]	[]
Edward T. Sykes	[☒]	[]

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

Howard A. Siegel	[☒] Yes	[] No	[] Absent	[] Abstain
Kathleen Lara	[] Yes	[] No	[☒] Absent	[] Abstain
Scott Smith	[☒] Yes	[] No	[] Absent	[] Abstain
Sean Brooks	[☒] Yes	[] No	[] Absent	[] Abstain
Ira Steingart	[☒] Yes	[] No	[] Absent	[] Abstain
Joseph Perrello	[☒] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[☒] 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 14th day of September, 2026.



Sean Brooks, Assistant Secretary