

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
Kathleen Lara, IDA Vice Chairperson
Carol Roig, IDA Secretary
Howard Siegel, IDA Treasurer & Chief Financial Officer
Philip Vallone, IDA Assistant Secretary
Scott Smith, IDA Assistant Treasurer
Paul Guenther, IDA Member
Sean Brooks, IDA Member
Ira Steingart, IDA Member & Chief Executive Officer
Chairman and Members of the Sullivan County Legislature
Josh Potosek, Sullivan County Manager
Walter Garigliano, Esq., IDA Counsel

FROM: Jennifer Flad, Executive Director

DATE: May 7, 2024

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

Date: Monday, May 13, 2024
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](#).

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**MEETING AGENDA
MONDAY, MAY 13, 2024**

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MEETING MINUTES

Monday, April 8, 2024 Regular Meeting

IV. BILLS AND COMMUNICATIONS

V. STAFF REPORT AND QUARTERLY FINANCIAL REPORT

VI. NEW BUSINESS

Resolution: Approving an Increase in the Authorized Sales and Use Tax Abatement Relating to the Maude Crawford Realty LLC and Bridgeville Ski Company Inc. d/b/a Holiday Mountain Project

Resolution: Appointing NY Forestburgh I, LLC as Agent of the Agency for the Purpose of Constructing the Project; Making Certain Findings and Determinations with Respect to the Project; Authorizing the Execution and Delivery of an Agent and Project Agreement; Authoring the Agency to Execute an Agent and Project Agreement, Lease to Agency, Leaseback to Company, Payment in Lieu of Tax Agreement, Mortgage and Related Documents with Respect to the Construction of the Project

Resolution: Amending the Payment in Lieu of Taxation Agreement Between the Agency and NY Delaware V, LLC

Resolution: Amending the Payment in Lieu of Taxation Agreement Between the Agency and NY Thompson II, LLC

Resolution: Amending the Payment in Lieu of Taxation Agreement Between the Agency and Rosemond Solar, LLC

Resolution: (I) Authorizing Additional Financing for the Gibbers Estates LLC and M E P Wholesalers Corp. Project; and (II) Authorizing the Chairperson or Executive Director to Execute and Deliver One or More Mortgages and All Related Documents Necessary to Effectuate the Foregoing

Executive Session: To Discuss the Financial History of a Particular Corporation Any and All Other Business Before the Board

VII. PUBLIC COMMENT AND ADJOURN

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MEETING MINUTES
Monday, April 8, 2024

I. CALL TO ORDER

Vice Chairperson Lara called to order the regular meeting of the County of Sullivan Industrial Development Agency at approximately 11:04 AM in the Legislative Hearing Room at the Sullivan County Government Center, 100 North Street, Monticello, New York 12701.

II. ROLL CALL

Members Present-

Kathleen Lara
Scott Smith
Philip Vallone
Sean Brooks
Ira Steingart

Members Absent-

Suzanne Loughlin (arrived at approximately 11:07 AM)
Carol Roig
Howard Siegel
Paul Guenther

Staff Present-

Jennifer Flad, Executive Director
Ira Steingart, Chief Executive Officer
Julio Garaicoechea, Project Manager
Bethanii Padu, Economic Development Coordinator

Staff Absent-

None

Others Present-

None

III. APPROVAL OF MEETING MINUTES

On a motion made by Mr. Smith, and seconded by Mr. Steingart, the Board voted and unanimously approved the March 29, 2024 regular meeting minutes.

IV. BILLS AND COMMUNICATIONS

Ms. Padu presented the Board with a revised schedule of payments showing six payments totaling \$21,744.42 On a motion made by Mr. Steingart, and seconded by Mr. Vallone, the Board voted and unanimously approved the schedule of payments.

V. STAFF REPORT

There were no questions on the March staff report.

Ms. Loughlin recused herself from the first resolution, relating to the Loughlin & Billig P.C. and 461 Broadway LLC Project, because her husband has an interest in an entity that is the subject of the resolution and left the room. She was absent from the discussion and vote on this resolution.

VI. NEW BUSINESS

On a motion made by Mr. Brooks, and seconded by Mr. Vallone, the Board reviewed and discussed a resolution authorizing, approving and consenting to the execution and delivery by the Agency's executive director of a project termination agreement and any and all related documents reconveying real property relating to the **Loughlin & Billig P.C. and 461 Broadway LLC** project. This resolution relates to the law firm/collection agency in the Town of Thompson. Vice Chairperson Lara called the motion to question, the Board voted, and resolution was unanimously approved.

Ms. Loughlin returned to the room.

On a motion made by Ms. Loughlin, and seconded by Mr. Smith, the Board reviewed and discussed a resolution of the Agency appointing **Monticello Kosher Supermarket LLC** as its agent for the purpose of acquiring, constructing, installing, and equipping the project; making certain findings and determinations; and authorizing the execution and delivery of project documents. This relates to the development of a supermarket in the Village of Monticello. Vice Chairperson Lara called the motion to question, the Board voted, and resolution was unanimously approved.

Ms. Loughlin conducted the meeting from this point forward.

On a motion made by Mr. Steingart, and seconded by Ms. Lara, The Board reviewed and discussed a resolution extending the sales tax abatement period for **Homestead LLC and North Branch Cider Mill LLC** from April 1, 2024 through and including September 30, 2024. This resolution relates to the renovation and redevelopment of the North Branch Cider Mill. Chairperson Loughlin called the motion to question, the Board voted, and the resolution unanimously approved.

On a motion made by Mr. Brooks, and seconded by Ms. Lara, the Board reviewed and discussed a resolution extending the sales tax abatement period for **NY Liberty II LLC** from April 1, 2024 through and including September 30, 2024. This resolution relates to the development of a solar photovoltaic electricity generating facility in the Town of Liberty. Chairperson Loughlin called the motion to question, the Board voted, and the resolution was unanimously approved.

On a motion made by Mr. Brooks, and seconded by Ms. Lara, the Board reviewed and discussed a resolution extending the sales tax abatement period for **NY Thompson III LLC** from April 1, 2024 through and including September 30, 2024. This resolution relates to the development of a solar photovoltaic electricity generating facility in the Town of Thompson. Chairperson Loughlin called the motion to question, the Board voted, and the resolution was unanimously approved.

On a motion made by Mr. Brooks, and seconded by Ms. Lara, the Board reviewed and discussed a resolution extending the sales tax abatement period for **Maude Crawford Realty LLC and Bridgeville Ski Company** from May 1, 2024 through and including October 31, 2024. This resolution relates to the acquisition and rehabilitation of the Holiday Mountain Ski & Fun Park. Chairperson Loughlin called the motion to question, the Board voted, and the resolution was unanimously approved. Staff advised Board members that the project is nearing the maximum sales and use tax exemption authorized by the Agency, and that the Company has submitted a request for an increase in authorized exemption. Board members expressed that such a request would be viewed favorably, and the Agency expects to formalize the increase by resolution in May.

VII. PUBLIC COMMENT

Chairperson Loughlin asked those present for comment. There was none.

On a motion made by Mr. Brooks, and seconded by Mr. Smith, the Board entered executive session to discuss current litigation at approximately 11:20 AM.

On a motion made by Mr. Smith, and seconded by Ms. Lara, the Board exited executive session at approximately 11:33 AM.

VIII. ADJOURN

On a motion made by Mr. Brooks, and seconded by Mr. Smith, the Board adjourned the meeting at approximately 11:39 AM.

Respectfully submitted:

Bethanii Padu, Economic Development Coordinator

##

DRAFT

COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY

548 Broadway, Monticello, NY 12701

845-428-7575

REVISED SCHEDULE OF PAYMENTS: May 13, 2024

No.	Vendor	Description	Amount
1	Blustein Shapiro Frank & Barone LLP	FSH Lodge at Neversink	\$ 60.00
2	Charter Communications	Phone and Internet Services May 2024	\$ 284.95
3	Elan Financial	Zoom, Adobe, SC Clerk Office Amended Memos (<i>pass through</i>), SC Clerk Office Service Fees, NYSEDC 2024 Spring IDA Academy, Asure HRA Fee, NYSEDC 2024 Basic Economic Development Course	\$ 3,003.44
4	e-Nable Business Solutions	Professional Services 2/20/24 to 2/23/24	\$ 416.50
5	New Southern Tier Title Agency	Office Rent: June 2024	\$ 3,700.00
6	Sullivan County Democrat	Legal Notice & Affidavit - Commercial Kitchen Equipment	\$ 252.42
7	USDA Rural Development	RMAP Loan Payment May 2024	\$ 2,370.41
8	Walter F. Garigliano, P.C.	May 2024 Retainer	\$ 250.00
9	Wilson Elser Moskowitz Edelman & Dicker LLP	Hudsut/HVFG	\$ 1,824.00
TOTAL			\$ 12,161.72
I certify that the payments listed above were audited by the Board of the IDA on May 13, 2024 and allowed in the amounts shown. You are hereby authorized and directed to pay each of the claimants in the amount opposite its name.			
			<u>5/13/2024</u>
Signature			Date

Expenses Approved and Paid Since Last Regular Meeting (4/8/24)

No.	Vendor	Description	Amount
1	DG Equipment	Foodservice Equipment Procurement re: Sullivan Catskill Regional Food Hub (approved by Board resolution 4/10/23)	\$ 43,150.50
2	DG Equipment	Foodservice Equipment Procurement re: Sullivan Catskill Regional Food Hub (approved by Board resolution 4/10/23)	\$ 1,890.00
TOTAL			\$ 45,040.50

Other Expenses and Items Paid Since Last Regular Meeting 4/8/24)—no approval required

No.	Vendor	Description	Amount
1	Payroll Expenses	Payroll Check Dates: 4/19/24, 5/3/24	\$ 22,144.59
TOTAL			\$ 22,144.59

ACTIVITY REPORT –APRIL 2024
COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY (IDA), SULLIVAN COUNTY
FUNDING CORPORATION (SCFC), THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL
DEVELOPMENT CORPORATION (TSCILDC)

April 25, 2024

The IDA Board held its regular monthly meeting on April 8th. At that time the Board adopted a resolution approving the **Monticello Kosher Supermarket LLC** project, for the development of a supermarket in Monticello. The Board also authorized extensions of the sales tax abatement periods for four ongoing projects, in accordance with the project agreements:

- **NY Liberty II, LLC** (solar photovoltaic electricity generating facility in the Town of Liberty)
- **NY Thompson III, LLC** (solar facility in the Town of Thompson)
- **Homesteadt, LLC** and **North Branch Cider Mill LLC** (redevelopment of North Branch Cider Mill in the Town of Delaware)
- **Maude Crawford Realty LLC** and **Bridgeville Ski Company, Inc.** (redevelopment of Holiday Mountain Ski & Fun Park in the Town of Thompson)

Finally, the Board authorized the early termination of the **Loughlin & Billig P.C. and 461 Broadway LLC** project documents (office building in the Village of Monticello).

The SCFC Board also met on April 8th to conduct routine business.

IDA has received an application for benefits from **NY Forestburgh I, LLC**, relating to the development of an approximately 5 MW solar photovoltaic electricity generating facility in the Town of Forestburgh. It is anticipated that the IDA Board will consider an approving resolution at its upcoming meeting on May 13th.

##

County of Sullivan IDA Balance Sheet Quarterly Report

ASSETS	12/31/2023	3/31/2024
Current Assets		
Cash	\$ 6,812,235.48	\$ 7,146,371.77
Restricted Cash	\$ 699,410.00	\$ 749,065.00
Accounts Receivable	\$ 50,213.00	\$ 45,589.00
Prepaid Expense	\$ 25,397.00	\$ 25,397.00
Operating Leases Receivable- Current	\$ 123,547.00	\$ 118,136.00
Capital Leases Recievable- Current	\$ 28,999.00	\$ 29,217.00
Notes Receivable- Current	\$ 54,273.63	\$ 58,245.00
Total Current Assets	\$ 7,794,075.11	\$ 8,172,020.77
Non-Current Assets		
Operating Leases Receivable	\$ 532,935.00	\$ 495,859.00
Capital Leases Receivable	\$ 214,219.00	\$ 206,832.00
Notes Receivable	\$ 405,955.75	\$ 386,706.00
Capital Assets, Net	\$ 2,659,317.00	\$ 2,677,495.00
Total Non-Current Assets	\$ 3,812,426.75	\$ 3,766,892.00
TOTAL ASSETS	\$ 11,606,501.85	\$ 11,938,912.77
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 35,426.00	\$ -
Accrued Payroll	\$ 6,694.00	\$ -
Unearned Revenue	\$ 28,917.00	\$ -
Note Payable- Current	\$ 24,309.00	\$ 24,431.00
Total Current Liabilities	\$ 95,346.00	\$ 24,431.00
Non-Current Liabilities		
Note Payable	\$ 193,568.00	\$ 189,428.00
Total Non-Current Liabilities	\$ 193,568.00	\$ 189,428.00
TOTAL LIABILITIES	\$ 288,914.00	\$ 213,859.00
DEFERRED INFLOWS OF RESOURCES		
Leases	\$ 656,446.00	\$ 613,995.00
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 656,446.00	\$ 613,995.00
TOTAL NET POSITION	\$ 10,661,141.85	\$ 11,111,058.77

The above balance sheet does not include sales tax escrows, project escrows, or PILOT escrows, which are shown below.

Sales Tax Escrow Funds	\$ 255,704.00	\$ 255,365.00
PILOT Escrow Funds	\$ 656,240.00	\$ 232,174.00
Project Escrow Funds	\$ 64,885.00	\$ 74,885.00
Total Escrow Funds Held by IDA:	\$ 976,829.00	\$ 562,424.00

3/31/2024
accrual basis

**County of Sullivan Industrial Development Agency
Profit & Loss Budget vs. Actual**

	<u>Jan-Mar 2024</u>	<u>YTD 2024</u>	<u>2024 Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4000 · Project Fees (one time)	20,610.00	20,610.00	85,000.00	24%
4002 · Agency Annual Fees	531,336.00	531,336.00	510,017.00	104%
4003 · Application Fees	250.00	250.00	2,000.00	13%
4004 · Interest Income-Bank & CD	969.00	969.00	4,500.00	22%
4005 · Interest Income- Loans & Leases	9,308.00	9,308.00	39,017.00	24%
4006 · Late Fee & Misc. Income	215.00	215.00	-	n/a
4011 · Rental Income- Food Hub Bldg	7,000.00	7,000.00	-	n/a
Building & Equipment Lease Payments	34,756.00	34,756.00	123,065.00	28%
4022 · SCFC Mgt & Admin Svcs	2,500.00	2,500.00	10,000.00	25%
4023 TSCILDC Mgt & Admin Svcs	-	-	12,000.00	0%
Anticipated New Agency Fees	-	-	-	n/a
Total Income	<u>606,944.00</u>	<u>606,944.00</u>	<u>785,599.00</u>	<u>77%</u>
Gross Profit	606,944.00	606,944.00	785,599.00	77%
Expense				
6000 · Personnel **	68,131.00	68,131.00	329,185.00	21%
6001 · Promotion (SC Partnership)	25,000.00	25,000.00	100,000.00	25%
Hudson Valley Agribusiness	-	-	30,000.00	0%
6002 · Subscriptions	855.00	855.00	5,000.00	17%
6003 · Office Supplies & Misc. Exp.	2,366.00	2,366.00	7,500.00	32%
6003.1 · Non Reimb. Legal Fees	10,051.00	10,051.00	100,000.00	10%
6003.2 · Non Reimb. Accounting	15,500.00	15,500.00	15,000.00	103%
6003.3 · Non Reimb. Consulting	343.00	343.00	8,500.00	4%
6007 · Rent Expense	11,100.00	11,100.00	44,400.00	25%
6008 · Telephone/Fax/Computer	936.00	936.00	4,500.00	21%
6009 · Insurance	-	-	18,000.00	0%
6010 · Postage	1,000.00	1,000.00	2,250.00	44%
6012.3 · Conferences & Seminars	-	-	1,500.00	0%
6035 Travel Expenses	-	-	2,500.00	0%
Equipment Purchases- In House	-	-	1,000.00	0%
6011 Repairs & Maintenance	10,071.00	10,071.00	250.00	4028%
6012.6 · Dues	6,890.00	6,890.00	6,800.00	101%
6017 · Advertising	180.00	180.00	500.00	36%
6012.5 Credit Reports	-	-	250.00	0%
6040 Expense Reserve	-	-	3,000.00	0%
8010 Bad Debt Expense	12,679.00	12,679.00	1,880.00	674%
Total Expense	<u>165,102.00</u>	<u>165,102.00</u>	<u>682,015.00</u>	<u>24%</u>
Net Income	441,842.00	441,842.00	103,584.00	

3/31/2024
accrual basis

CSIDA LOAN STATUS 03/31/2024

REVOLVING LOAN FUND

Active Loans

Recipient	Purpose of Loan	Original Loan Amount	Date Loan Closed	Current Principal Balance	Status
Nort Branch Cider Mill	CR	\$ 75,000.00	7/13/2023	\$ 75,000.00	current
Cochecton Holdings	ME	\$ 90,000.00	5/9/2023	\$ 88,244.92	curent
David & Donalette Appel	FFE	\$ 84,098.25	4/20/2016	\$ 16,796.72	delinquent
Justin Sutherland	FFE	\$ 36,000.00	11/29/2017	\$ 1,344.30	current

Recently Closed Out Loans

Recipient	Purpose of Loan	Original Loan Amount	Date Loan Closed	Current Principal Balance	Status
BHFM, Inc.	WC	\$ 50,000.00	5/4/2018	\$ -	paid in full 6/26/23
Be Neet LLC and Jeff Sanitation, Inc.	FFE	\$ 50,000.00	2/27/2017	\$ -	paid in full 3/22/22
Il Nam Chon and Nam Yi Kim d/b/a Salt and Pepper the Kitchen	CR	\$ 50,000.00	5/25/2016	\$ -	paid in full 6/3/21
Jane Axamethy d/b/a The Bake House	CR, FFE, WC	\$ 20,000.00	5/31/2011	\$ -	paid in full 5/3/21

RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM

Active Loans

Company Name	Purpose of Loan	Original Loan Amount	Date Loan Closed	Current Principal Balance	Status
2 Queens	FFE	\$ 46,000.00	7/14/2023	\$ 45,240.88	current
3 Franks	FFE	\$ 45,000.00	7/13/2023	\$ 44,257.38	current

Recently Closed Out Loans

Prohibition Distillery LLC	WC, FFE	\$ 50,000.00	5/8/2015	\$ -	paid in full 6/10/22
Red Cottage Inc.	FFE	\$ 9,500.00	5/8/2015	\$ -	paid in full 12/29/21
Catskill Distilling Company, Ltd.	FFE	\$ 50,000.00	5/8/2015	\$ -	paid in full 5/24/21
Red Cottage Inc.	WC	\$ 21,000.00	5/8/2015	\$ -	paid in full 6/2/20
Samba Café and Inn LLC	FFE	\$ 15,000.00	6/28/2012	\$ -	paid in full 7/7/20
ND Pro Media Inc.	WC, FFE	\$ 25,000.00	7/13/2012	\$ 2,795.00	written off 4/12/2023

AGRI-BUSINESS REVOLVING LOAN AND LEASE FUND

Active Loans

Company Name	Purpose of Loan	Original Loan Amount	Date Loan Closed	Current Principal Balance	Status
Agrarian Feast, LLC	CR	\$ 100,000.00	7/16/2021	\$ 97,733.17	current
Murray Bresky	CR	\$ 100,000.00	5/13/2022	\$ 85,252.98	current

Key- Purpose of Loan

Construction/ Renovation	CR
Working Capital	WC
Furniture, Fixtures & Equipment	FFE
Real Estate	RE
Machinery & Equipment	ME



**Bridgeville Ski Company, Inc / Maude Crawford Realty, LLC
PO Box 1388 99 Holiday Mtn Road Monticello, NY 12701
845-796-3161**

April 8, 2024

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

RE: EXTENSION OF SALES TAX ABATEMENT

Dear Board Members:

While the weather didn't cooperate with bringing us a real "winter" too easily, we were able to get a lot accomplished and had thousands of skiers, snowboarders and snow-tubers enjoy the area. We were faced with endless challenges, we got an enormous amount accomplished in a short period of time and overall our inaugural season was a success by most accounts. With Spring finally here, we're moving forward with "Phase II" of our rebuilding and expanding Holiday Mountain.

Phase II Plans include:

- Over 21,000 feet of snowmaking piping to be installed on 4 trails
- 23 tower fan guns on Turkey Trot with new accompanying electrical service
- Approximately 90+/- new "stick" air water snow guns
- One new 450 hp water pump and "variable frequency drive" controls which is in addition to the 3- 250 hp pumps installed last Summer
- Installation of 200 air & water hydrants for snowmaking
- Purchase of a 2nd large air compressor and air chiller unit
- Electric service upgrades with NYSEG & American Electric for the Roman Candle & Benson's Glade incoming services which we knocked out last season while making more snow than the services would allow
- Two 250' synthetic tubing lanes for our newly constructed snow-tubing park to facilitate summer tubing along with new 50 new summer tubes
- Purchase of 100+ summer "lazy river" water tubes for tubing on the Neversink
- Installation of a "quad" chairlift with new controls, base terminal and bottom bull wheel for our "Turkey Trot" 2800' trail along with new lighting

- Removal of trees / stumps, grading the new double black diamond "Hackledam"
- Purchase of a 2020 Pisten Bully 600 snowcat with winch
- Renovation of our "North Lodge" to better facilitate tubing & events
- Possible construction of 2nd kitchen in our North Lodge to better service customers with kosher dietary requests
- Continued work on erosion control, drainage and parking/ driving areas
- Construction of ski patrol "shacks" at the top of both lifts for better response
- Purchase of a used Skytrac telehandler 4WD forklift
- Construction of race timing building bottom of the 2800 ft Turkey Trot to better facilitate high school, adult, weekend training and senior league "Giant Slalom" racing.
- Purchase additional rental skis, boots, snowboards & helmets
- Potential purchase of adjacent property(ies)

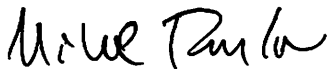
We plan on spending \$3MM+ by next ski season without trying too hard.

We are requesting an increase in the authorized purchase amount and associated sales tax exemption for an additional \$3 MM in purchases.

Please contact me if I can be of any assistance or answer any questions.

Respectfully,

MAUDE CRAWFORD REALTY, LLC
BRIDGEVILLE SKI COMPANY, INC



Michael Taylor

PS: If anyone wants to really understand what the old saying "a fool and his money are soon parted" is all about, please join me for a beverage at Holiday Mountain one evening. I AM that guy.

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
- Walter F. Garigliano, Agency General Counsel

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

Resolution No. __ - 24

RESOLUTION APPROVING AN INCREASE IN THE AUTHORIZED SALES AND USE TAX ABATEMENT RELATING TO THE MAUDE CRAWFORD REALTY LLC (“MCR”) AND BRIDGEVILLE SKI COMPANY INC. D/B/A HOLIDAY MOUNTAIN (“BSC” TOGETHER WITH MCR, 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 March 31, 2023, the Company presented an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project consisting of the: (i) acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of an existing ski and fun park comprised of seven buildings (“Existing Buildings”) situate on one (1) parcel of real estate consisting of approximately 152.05± acres located at 99 Holiday Mountain Road, Town of Thompson, County of Sullivan, State of New York and identified on the Town of Thompson tax map as Section 32, Block 2, Lot 59 (“Land”); (ii) acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the Existing Buildings; (iii) acquisition, construction and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools (“Equipment”); (iv) construction of improvements to the Existing Buildings, the Land and the Equipment (collectively, the Existing Buildings, the Land and the Equipment are referred to as the “Facility” or the “Project”); and (v) lease of the Facility from the Agency to the Company; and

WHEREAS, on April 25, 2023, the Agency by resolution #15-23 approved the Project; and

WHEREAS, the Agency and the Company entered into the following documents:

1. Agent and Project Agreement, dated May 1, 2023 (“Agent Agreement”);
2. Environmental Compliance and Indemnification Agreement, dated May 1, 2023;
3. Bill of Sale to Agency, dated May 31, 2023;
4. Bill of Sale to Company, dated May 31, 2023;
5. Lease to Agency and memorandum thereto, dated May 31, 2023;
6. Leaseback to Company and memorandum thereto, dated May 31, 2023; and
7. Payment in Lieu of Tax Agreement, dated May 31, 2023;

; and

WHEREAS, by its letter, dated April 8, 2024, the Company requested an increase in the authorized amount for the purchase of goods and services from Three Million Five Hundred Thousand and 00/100 (\$3,500,000.00) to Six Million Five Hundred Thousand and 00/100 (\$6,500,000.00) and an increase of the sales and use tax exemption from Two Hundred Eighty Thousand and 00/100 (\$280,000.00) Dollars to Five Hundred Twenty Thousand and 00/100 (\$520,000.00) Dollars due to an additional increase in Project costs; and

WHEREAS, the direct and indirect benefits to the local economy of additional construction activity far exceeds the cost of the increased sales and use tax exemption.

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

Section 1. The Agency hereby approves the Company’s request to increase the authorized sales and use tax abatement to an amount not to exceed Five Hundred Twenty Thousand and 00/100 (\$520,000.00) Dollars, effective as of April 8, 2024, conditioned upon payment of all fees and costs of the Agency related hereto.

Section 2. Section 4(e) of the Agent Agreement is hereby deleted in its entirety and the following inserted in its place and stead:

“(e) The Company further (i) covenants and agrees that the purchase of goods and services relating to the Project and subject to New York State and local sales and use taxes are estimated in the amount up to \$6,500,000 and, therefore, the value of the sales and use tax exemption benefits authorized and approved by the Agency cannot exceed \$520,000; (ii) confirms the mortgage recording tax exemption amount shall not exceed \$50,000; and (iii) confirms that the real property tax abatement benefits to be provided to the Company shall conform to those contained within the PILOT attached hereto as Exhibit 4(e).”

Section 3. The Executive Director or Counsel to the Agency is hereby authorized and directed (i) to distribute copies of this resolution to the Company; and (ii) to do such further things or perform such acts and to execute any and all documents as may be necessary or convenient to implement the provisions of this resolution.

Section 4. 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 for and on behalf of the Agency.

Section 5. 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:

Suzanne Loughlin	<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
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
Philip Vallone	<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
Ira Steingart	<input 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 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 May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] 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

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 13th day of May, 2024.

Carol Roig, Secretary

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

I. APPLICANT INFORMATION:

Company Name: NY Forestburgh I, LLC ("Applicant")

Address: 560 Davis Road, Suite 250 San Francisco, CA 94111

Phone No.: 415 - 360 - 3063

Telefax No.: []

Email Address: assetmgmt@generatecapital.com

Fed Id. No.: [REDACTED]

Contact Person: Elinor Beitler

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

Principal Owners (Shareholders/Members/Owners):
Generate C&I Warehouse II, LLC

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: May 18, 2023
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: Couch White LLP Attn: Joshua Sabo

Address: 540 Broadway, P.O. Box 22222, Albany, NY

Phone No.: 518 - 320 - 3443

Telefax No.: [] _____

Email Address: jsabo@couchwhite.com

II. REQUESTED FINANCIAL ASSISTANCE

	<u>Estimated Value</u>
Real Property Tax Abatement (estimated)	\$ <u>0</u>
Mortgage Tax Exemption	\$ <u>not to exceed \$43,000</u>
Sales and Use Tax Exemption	\$ <u>not to exceed \$42,000</u>
Issuance by the Agency of Tax Exempt Bonds	\$ <u>0</u>

III. PROJECT INFORMATION

A.) Project Location:

Project Address: State Route 42
Tax Map Number(s): 30.-2-1.2
Located in the Village of: N/A
Located in Town of: Forestburgh
Located in the School District of: Monticello Central School District
Located in Hamlet of N/A

(i) Are Utilities on Site?

Water/Sewer No Electric No
Gas No Storm Sewer No

(ii) Present legal owner of the site: JG Forestburgh, LLC

If other than Applicant, by what means will the site be acquired for this Project:
The portion of the property to be used for the Project will be leased from the legal owner of the parcel.

(iii) Zoning of Project Site: Current: Rural Residential Proposed: []

(iv) Are any variances needed: []

(v) Principal Use of Project upon completion: Generation of solar photovoltaic electricity to be distributed through Orange & Rockland electrical grid to Orange & Rockland customers that are signed up with the Applicant's Community Solar Program.

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? No; 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.

The Project is an approximate 5 MW solar photovoltaic electricity generating facility that will be interconnected to the Orange & Rockland electrical grid. Orange & Rockland customers that are part of the Applicant's Community Solar Program shall be sold such electricity. The Project is a newbuild and will be comprised of (a) racking to mount the solar modules (such racking generally to be pile driven into the ground), (b) solar modules, (c) inverters and transformers to sit on a concrete inverter pad, and (d) assorted electrical components and wiring. Construction will take approximately four months.

The Project is monitored remotely and there are no daily on-site personnel required. Regularly scheduled maintenance will occur semi-annually and will consist of (a) cleaning the panels (no chemicals) and (b) equipment servicing/replacement.

The Applicant and Town will enter into a Decommissioning Agreement/Plan that will set forth the details regarding the decommissioning and removal of the solar facility.

G.) COSTS AND BENEFITS OF THE PROJECT

Costs = Financial Assistance

Estimated Sales Tax Exemption	<u>\$ Not to exceed \$42K</u>
Estimated Mortgage Tax Exemption	<u>\$ Not to exceed \$43K</u>
Estimated Property Tax Abatement	<u>\$ 0</u>
Estimated Interest Savings IRB Issue	<u>\$ 0</u>

Benefits= Economic Development

Jobs created	<u>26-35 (development and construction phase)</u>
Jobs retained	<u>3-4 (contracted work during operation, not full time)</u>
Private funds invested	<u>\$ 4,702,268 (sponsor investment + debt)</u>
Other Benefits	<ul style="list-style-type: none">- <u>Reduced energy cost to community solar subscribers</u>- <u>Tax revenue to Town of Forestburgh, Sullivan County and Monticello Central School District</u>- <u>Local job creation during development phase (surveyors, engineers, sales), construction phase (construction jobs) and operational phase (landscaping, maintenance)</u>- <u>Contribute to achieving renewable energy generation goals in NYS</u>

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

Construction:	<u>26-35</u>
Permanent:	<u>3 – remotely monitored, no daily on site personnel, these are not full time jobs</u>
Retained (at current facility):	<u>0 – remotely monitored, no daily on site personnel</u> <u>Note: see further job creation description below</u>

Project Costs (Estimates)	
Land and Existing Buildings	<u>\$(Leased)</u>
Soft Costs (5%)	<u>\$ 506,788</u>
Other	<u>\$ 10,135,757</u>
Total	<u>\$ \$10,642,545</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.

Please see Exhibit A attached.

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.

As indicated above, the Project is monitored remotely and there are no daily on-site personnel required. Regularly scheduled maintenance will occur semi-annually or annually and will consist of (a) cleaning the panels (no chemicals) and (b) equipment servicing/replacement. All jobs created during the 30 year operational phase will be on a contract basis (landscaping and maintenance) and will be locally sourced to the extent possible.

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

The Project is currently in the development phase, and there are certain contracted jobs already created (surveying, engineering, sales). The construction phase is expected to be four months with a target of commencing construction in the [4th] quarter of 2024. Contracted jobs (maintenance and landscaping) during the operational phase would commence upon completion of the construction phase, which is expected to happen on the [1st or 2nd] quarter of 2025.

-
- 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.

As indicated above, all jobs created during the 2-30 year operational phase of the Project will be on an independent contract basis.

-
- 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)

Development Phase: 2-3
Construction Phase: 26-35
Operational Phase: 3-4

Note: The 2022 US Census estimate of the population of the Mid-Hudson Valley Region aged 18-64 is 1,436,982

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

The financial assistance provided by the Agency in terms of tax relief will provide financing parties and investors certainty in PILOT payments that will alleviate some of their risk on a Project.

IV. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

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

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

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

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

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

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

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

EXHIBIT A
Source of Funds

Sponsor Investment	798,191
Tax Equity Investment	4,760,916
Debt	3,904,077
Incentives (NYSERDA estimate)	1,179,360
Total Source of Funds	10,642,545

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.

NY FORESTBURGH I, LLC

Margaret Flannery
By: (NAME, TITLE) Margaret Flannery
Authorized Signatory

Date: 4/9/24

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

_____, being first duly sworn, deposes and says:

1. That I am the _____ of _____ (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)

Subscribed and affirmed to me under penalties of perjury
this ____ day of _____, 20____.

see attached

(Notary Public)

CALIFORNIA JURAT

GOVERNMENT CODE § 8202



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Francisco

Subscribed and sworn to (or affirmed) before me on this 9th day of April, 2024, by
Date Month Year

(1) Margaret Flannery

(and (2) _____),
Name(s) of Signer(s)

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature. Sarah Starr
Signature of Notary Public



Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____



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.

NY FORESTBURGH I, LLC

M Flannan
By: (NAME, TITLE)

Margaret Flannan
Authorized Signatory

Date: 4/9/24

~~Sworn to before me this _____ day of _____, 20__.~~

~~Notary Public~~

see attached

CALIFORNIA JURAT

GOVERNMENT CODE § 8202



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Francisco

Subscribed and sworn to (or affirmed) before me on this 9th day of April, 2024, by
Date Month Year



(1) Margaret Flannery

(and (2) _____),
Name(s) of Signer(s)

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature. Sarah Starr
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____



RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
Walter F. Garigliano, Agency General Counsel

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

Resolution No. _____ - 24

RESOLUTION OF THE AGENCY APPOINTING NY FORESTBURGH I, LLC (“COMPANY”) AS ITS AGENT FOR THE PURPOSE OF CONSTRUCTING 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 AN AGENT AND PROJECT AGREEMENT, LEASE TO AGENCY (“LEASE”), LEASEBACK TO COMPANY (“LEASEBACK”), PAYMENT IN LIEU OF TAX AGREEMENT (“PILOT AGREEMENT”), MORTGAGE AND RELATED DOCUMENTS WITH RESPECT TO THE CONSTRUCTION OF THE 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 April 10, 2024, 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 construction of an approximately 5MWac solar photovoltaic electricity-generating facility that will be interconnected to the Orange & Rockland electrical grid ("Project"). The Project is new construction and will be comprised of (a) racking to mount the solar modules (such racking generally to be pile driven into the ground); (b) solar modules; (c) inverters and transformers to sit on a concrete inverter pad and (d) assorted electrical components and wiring. The solar array will be constructed on one (1) parcel of real estate consisting of approximately 59.53 acres on State Route 42, Town of Forestburgh ("Town"), County of Sullivan ("County"), State and identified on the Town tax map as a portion of Section 30, Block 2, Lot 1.2 ("Land"); and

WHEREAS, it is contemplated that the Agency will (i) designate the Company as its agent for the purpose of constructing the Project; (ii) negotiate and enter into an Agent and Project Agreement, Lease, Leaseback and PILOT Agreement with the Company (collectively, the "Transaction Documents"); (iii) take and hold a leasehold interest in the Land and the improvements thereon which constitute the Project; and (iv) provide financial assistance (the "Financial Assistance") to the Company in the form of (a) sales tax exemption for purchases related to the construction and equipping of the Project; (b) a real property tax abatement on increased value resulting from improvements to the Land through the PILOT Agreement; and (c) a mortgage recording tax exemption for financing related to the Project; 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, to aid the Agency in determining whether the Project may have significant adverse effects on the environment, the Company has presented a Full Environmental Assessment Form ("EAF") to the Agency with respect to the Project for its review; 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 Special Transaction 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) an EAF.

Section 2. Based upon (i) the representations made by the Company to the Agency, and (ii) a review of the EAF presented to the Agency, the EAF reviewed and acted upon by the Town Planning Board, and (iii) related documents, the Agency hereby determines that:

- (A) The Project constitutes a Type I Action under the SEQR;
- (B) The Project will result in no major impacts and, therefore, is one which will not cause significant damage to the environment;
- (C) The Project will not have a “significant effect on the environment” as such quoted term is defined in Article 8 of the Environmental Conservation Law and Regulations adopted pursuant thereto by the Department of Environmental Conservation;
- (D) No “environmental impact statement” as such quoted term is defined in

- SEQR need be prepared for this action; and
- (E) This determination constitutes a negative declaration for purposes of SEQR.

A copy of this resolution shall together with the attachments thereto be placed on file in the office of the Agency where the same shall be available for public inspection during business hours, and notices of this negative declaration shall be filed in such offices, posted in such places, and published in such publications as shall be necessary to conform with the requirements of SEQR.

Section 3. The Agency has determined that the proposed Financial Assistance does not exceed the sum of \$100,000.00 and therefore the proposed action is not subject to a public hearing.

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 a leasehold interest in the Land and improvements constituting the Project; (ii) appoint the Company as its agent for purposes of constructing the Project, and (iii) lease the Land and improvements constituting the Project to the Company pursuant to the Lease, subject to the Leaseback and the PILOT Agreement;
- (C) The Agency has the authority to take the actions contemplated therein under the Act; and
- (D) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in the County and otherwise furthering the purposes of the Agency as set forth in the Act.

Section 5. Subject to the Company executing an Agent and Project Agreement in form and substance approved by the Executive Director, the Agency hereby authorizes the Company to proceed with the construction of the Project and hereby appoints the Company as the true and lawful agent of the Agency to construct 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 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 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 of the Project; and (iii) all purchases, leases, rentals and uses of equipment, machinery, and other tangible personal property (including installation costs with respect thereto), installed or placed in, upon or under the Project, including all repairs and replacements of such property. This agency appointment

includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Project, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to construct the Project shall expire on May 31, 2025, 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 \$525,000, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$42,000. 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 Chairperson or Executive Director of the Agency are hereby further authorized, on behalf of the Agency, to execute, deliver and record any mortgage or mortgages securing in the aggregate a maximum principal indebtedness of up to \$4,300,000.00, and any assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these

resolutions or required by any lender identified by the Company (the "Lender") to undertake the Project and/or finance or re-finance acquisition and Project costs, equipment and other personal property and related transactional costs (the "Lender Documents"; and, together with the Agency Documents, the "Project Documents") and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Project Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairperson or the Executive Director of the Agency shall approve, the execution thereof by the Chair or the Executive Director of the Agency to constitute conclusive evidence of such approval; provided, in all events, recourse against the Agency is limited to the Agency's interest in the Facility.

Section 9. 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 Community Distributed Generation Uniform Tax Exemption Policy.

Section 10. The Chairperson or Executive Director of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Transaction Documents, all with such changes, variations, omissions and insertions as the Chairperson or Executive Director of the Agency shall approve, the execution thereof by the Chairperson or Executive Director of the Agency to constitute conclusive evidence of such approval.

Section 11. 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 12. 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 13. The Executive Director or Special Transaction 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
Kathleen Lara	<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
Philip Vallone	<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
Ira Steingart	<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 May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] 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

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 13th day of May, 2024.

Carol Roig, Secretary



May 2, 2024

Jennifer M. Flad
Executive Director
County of Sullivan Industrial Development Agency
584 Broadway
Monticello, New York 12701

Re: NY Delaware V, LLC - Amendment to Payment in Lieu of Taxation Agreement

Dear Jennifer,

We are writing to request an amendment to the Payment in Lieu of Taxation Agreement between the County of Sullivan Industrial Development Agency (“Agency”) and NY Delaware V, LLC (“Company”) made as of June 10th, 2019, and amended as of September 15, 2020 (collectively, the “PILOT Agreement”).

Section 575-b of the New York State Real Property Tax Law, which became effective in 2023, sets forth a method for determining the assessed value of community distributed generation (“CDG”) solar systems and requires all assessors to use a discounted cash flow appraisal model (“Model”) published by the New York State Department of Taxation and Finance (“NYS DTF”) for assessing such systems. Under the Model, the theoretical taxes paid by some CDG systems would be far lower than the PILOT payments to be made in accordance with our PILOT Agreement.

Using the Model and the methodology described below, we calculate that the theoretical taxes per MWac for our project would be \$3,079 per year, while the current PILOT is \$8,000 per year. While the PILOT exceeds the theoretical taxes, we wish to remain in the Agency’s program because it provides financial certainty to us and to the taxing jurisdictions. Given this, we respectfully request that the annual PILOT be reduced from \$8,000 per MWac, to \$5,540 per MWac. This represents a decrease of 50% of the difference between the current PILOT amount and the current theoretical taxes using the Model.

Our calculation is based on the following methodology:

Inputs are entered into the Model to produce the cash flow stream for 25 years

- The Model calculates the year 1 assessment value using the project inputs, the discount rate and assumptions built into the Model, and the tax load for the project.
- The assessment value for years 2 to 15 is calculated by doing the same calculation using the remaining years of cash flows. For example, the assessment value in year 15 uses the cash flows in years 15 to 25.
- Using the calculated assessment values for years 1 to 15, the estimated tax payments are calculated using the tax load for the project.



- The estimated tax payments are then used to calculate an equivalent, flat PILOT payment for the 15 year PILOT period

Please feel free to contact me with any questions. Thank you.

Yours very truly,

NY DELAWARE V, LLC

DocuSigned by:
Richard Winter
By: _____
Name: STATEID:2083404 Richard Winter
Title: CEO

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
- Walter F. Garigliano, Agency General Counsel
- William A. Frank, Special Transaction Counsel

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

Resolution No. __ - 24

RESOLUTION OF THE AGENCY AMENDING THE PAYMENT IN LIEU OF TAXATION AGREEMENT (“PILOT AGREEMENT”) BETWEEN THE AGENCY AND NY DELAWARE V, LLC (“COMPANY”) FOR THE PROJECT (HEREINAFTER DEFINED)

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, in 2014 Governor Andrew M. Cuomo launched Reforming the Energy Vision (“REV”), New York State’s energy policy and plan, which is intended to encourage renewable energy development that will spur economic growth and develop new clean energy business models; and

WHEREAS, the New York Community Distributed Generation (“CDG”) program was approved and enacted by the Public Service Commission in 2015, as part of and in support of the REV initiative; and

WHEREAS, a CDG facility is a commercial scale electricity generator to which residential and business customers can subscribe to receive credits from the electricity generated at the facility without the need to install or maintain equipment at the business or residential location; and

WHEREAS, Section 487 of the New York State Real Property Tax Law (“NYS RPTL”) provides a fifteen-year exemption on real property taxes for all CDG systems in the State, unless the local taxing jurisdiction opts out; and

WHEREAS, Section 487 allows participating jurisdictions to negotiate Payments in Lieu of Taxation Agreements, the purpose of which is to reduce the tax burden and tax rate uncertainty for developers while preserving some of the foregone revenue that would have been paid in real property taxes to the taxing jurisdictions; and

WHEREAS, at the request of the County of Sullivan and various municipalities, in 2016 the Agency adopted its Community Distributed Generation Uniform Tax Exemption Policy (“CDG UTEP”), to provide a uniform system for assessing and collecting PILOTs from CDG projects throughout the County; and

WHEREAS, on or about March 7, 2019, the Company presented an application to the Agency (“Application”), a copy of which is on file at the office of the Agency, requesting the Agency’s assistance with respect to a certain project consisting of the construction of an approximately 2MWac solar photovoltaic electricity generating facility to be interconnected to the New York State Electric and Gas (“NYSEG”) electrical grid (“Project”). The Project is comprised of (a) racking to mount the solar modules; (b) solar modules; (c) inverters and transformers to sit on a concrete inverter pad and (d) assorted electrical components and wiring (“Solar Array”); and

WHEREAS, the Project was originally designed to be constructed on a portion of 76.56 +/- acres of real estate located at 93 Villa Roma Road, Town of Delaware (“Town”), County of Sullivan (“County”), State and identified on the Town tax map, at the time of the Application, as Section 21, Block 1, Lot 28 (“Original Land”); and

WHEREAS, on June 10, 2019, by duly adopted Resolution 31-19 (“Resolution”), the Agency authorized the Company to act as its agent for the purposes of constructing the Project and conferred on the Company certain financial assistance consisting of: (a) an exemption from all State and local sales and use tax for the purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Project or used in the construction of the Project, (b) an exemption from mortgage recording tax, and (c) a partial

abatement from real property taxes for a period of five (5) years following the statutory exemption from real property taxes under Real Property Tax Law Section 487, which exemption shall be conferred through a certain payment in lieu of tax agreement requiring the Company to make payments for the benefit of each municipality and school district having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption, the mortgage recording tax exemption, and the partial abatement from real property taxes, are hereinafter collectively referred to as the “Financial Assistance”); and

WHEREAS, as relevant here, on or about June 10, 2019, the Agency and the Company entered into the following documents:

- (i) Agent and Project Agreement (“Agent Agreement”); and
- (ii) Environmental Compliance and Indemnification Agreement (“ECIA”);
- (iii) Bill of Sale to Agency (“Bill of Sale to Agency”);
- (iv) Bill of Sale to Company (“Bill of Sale to Company” together with Bill of Sale to Agency, “Bills of Sale”);
- (v) Lease to Agency and memorandum thereto (collectively, “Lease Agreement”);
- (vi) Leaseback to Company and memorandum thereto (collectively, “Leaseback Agreement”); and
- (vii) Payment in Lieu of Taxation Agreement (“2019 PILOT Agreement”), which was superseded by an Amended and Restated Payment in Lieu of Taxation Agreement made as of September 15, 2020 (“A&R PILOT” and together with the 2019 PILOT Agreement, the “PILOT Agreement”); and

The documents listed in (i) through (vii) above are collectively referred to as the “Project Documents”; and

WHEREAS, on or about December 14, 2020, the Agency and the Company entered into that certain Omnibus Amendment to Project Documents (“Omnibus Amendment”), which modified the Project Documents by:

- (i) Deleting the legal description of the Original Land attached to the Bills of Sale, Lease Agreement and Leaseback Agreement and incorporating the description of a 14.00 acre parcel identified on the Town tax map as Section 21, Block 1, Lot 28.5 (“Land”) in its place and stead; and
- (ii) Deleting the project description in the Project Documents and inserting in its place and stead:

“construction of an approximately 2MW solar photovoltaic electricity generating facility to be interconnected to the New York State Electric and Gas (“NYSEG”) electrical grid (“Project”). The Project is comprised of (a) racking to mount the solar modules; (b) solar modules; (c) inverters and transformers mounted on a concrete inverter pad; and (d) assorted electrical components and wiring (“Solar Array”). The Solar Array has been constructed on the 14.00

acres of real estate located at Villa Roma Road, Town of Delaware (“Town”), County of Sullivan (“County”), State and identified on the Town tax map as Section 21, Block 1, Lot 28.5 (“Land”).”

WHEREAS, the Project has been completed and placed in service; and

WHEREAS, in accordance with the PILOT Agreement, the Company has made annual PILOT Payments for PILOT Years 1 through 4 (2021 through 2024); and

WHEREAS, across New York State, the assessed values of CDG systems have varied widely, resulting in uneven tax burdens on CDG developers and uneven revenues for taxing jurisdictions; and

WHEREAS, in response to the variations in assessments to CDG systems, in 2021 the New York State Legislature adopted Section 575-b of the NYS RPTL, which sets forth a method for determining the assessed value of solar or wind systems, including CDG systems, and requires all assessors to use a discounted cash flow appraisal model (the “Model”) published by the New York State Department of Taxation and Finance (“NYSDTF”) for assessing such systems; and

WHEREAS, the Model was challenged because NYSDTF did not follow the State Administrative Procedure Act (“SAPA”) process, resulting in a delay in implementation of the Model; and

WHEREAS, Part N of the 2024 New York State budget legislation, signed by Governor Kathy Hochul on May 3, 2023, amends Section 575-b of the NYS RPTL so the Model is not subject to SAPA, and amends SAPA to exempt the Model and other appraisal models and discount rates from the requirements of SAPA; and

WHEREAS, under the Model, which now governs, the assessed values of some CDG systems are generally much lower than the assessed values contemplated at the time of PILOT execution; and

WHEREAS, in these instances, the theoretical taxes paid by CDG systems would be far lower than the PILOT Payments to be made in accordance with the PILOT; and

WHEREAS, the Company and the Agency recognize that the PILOT Agreement as currently constructed places a financial burden on the Company that would not exist if the Agency and the Company terminated the PILOT Agreement, but also recognize that the PILOT Agreement provides stability and predictability for both the Company and the taxing jurisdictions; and

WHEREAS, on or about May 2, 2024, the Company requested an amendment to the PILOT Agreement to reduce each annual PILOT Payment by fifty (50%) percent of the difference between the PILOT Payment set forth in the PILOT Agreement and the theoretical taxes as calculated using the Model value of the solar energy improvements; and

WHEREAS, the Agency is willing to amend the PILOT Agreement as requested by the Company as set forth below:

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

Section 1. That Section 2 of the PILOT Agreement is hereby deleted in its entirety and replaced as follows:

“2. Agreement to Make Payments in Lieu of Taxes.

(a) RPTL §487 Exemption Period. The Company has made annual PILOT Payments for PILOT Years 1 through 4 (2021 through 2024) as provided in the PILOT Agreement prior to the amendment contemplated by this Resolution. During Years 5 through 15 (2025 through 2035) of the period the Solar Array is otherwise exempt from general ad valorem real property taxes under RPTL §487, the Company agrees to pay to the Agency at 548 Broadway, Monticello, New York 12701, or at such other address as shall be designated from time to time by the Agency (the “Agency’s Offices”), payments in lieu of tax (each a “PILOT Payment”) in the amount of Five Thousand Five Hundred Forty and 00/100 (\$5,540.00) Dollars per name plate MWac, which for this 2 MWac name plate Project is Eleven Thousand Eighty and 00/100 (\$11,080.00) Dollars;

For only the fifteen (15) year period during which time the Project is owned by the Company or an Affiliate of the Company and is exempt from general ad valorem real property taxes under Real Property Tax Law §487, the Company shall not and shall cause any of its Affiliates (as such term is defined below) not to enter into any agreement to make payments in lieu of tax, or agree to be subject to general ad valorem real property taxes payments, in each case in amounts greater than the PILOT Payments provided for herein for any other solar photovoltaic electricity generating facility located in Sullivan County and interconnected to the NYSEG electrical grid. For the purposes of this Section 2(a), the term “Affiliate” shall mean any entity which, directly or indirectly, is in control of, is controlled by, or is under common control with, the Company.

(b) RPTL §412-a Exemption Period. During any period the Land and Solar Array are exempt from taxation under §412-a of the RPTL and §874 of the Act, the Company agrees to pay the Agency at the Agency’s Offices a PILOT Payment equal to what the real estate taxes on the unimproved Land (without giving effect to any increase to the assessed value associated with the Project) would have been if the Agency was not involved with the Project PLUS Eleven Thousand Eighty and 00/100 (\$11,080.00) Dollars.

(c) The chart which follows sets forth the anticipated years of the overall twenty (20) year period for PILOT Payments under the Agency’s Community Distributed Generation Tax Abatement Policy; the date that a PILOT Payment is due; and the appropriate tax periods to which the PILOT Payment applies. These periods are based on the expectation that the Solar Array will be placed in service between March 1, 2019 and March 1, 2020. The “Years” set forth in the first column of the chart shall be adjusted so Year 1 is the

February 1 of the year following next March 1 after the date the Solar Array is placed in service.

Year	PILOT Payment Due Date	School Fiscal Year Beginning	County and Town
1	February 1, 2021	July 1, 2020	January 1, 2021
2	February 1, 2022	July 1, 2021	January 1, 2022
3	February 1, 2023	July 1, 2022	January 1, 2023
4	February 1, 2024	July 1, 2023	January 1, 2024
5	February 1, 2025	July 1, 2024	January 1, 2025
6	February 1, 2026	July 1, 2025	January 1, 2026
7	February 1, 2027	July 1, 2026	January 1, 2027
8	February 1, 2028	July 1, 2027	January 1, 2028
9	February 1, 2029	July 1, 2028	January 1, 2029
10	February 1, 2030	July 1, 2029	January 1, 2030
11	February 1, 2031	July 1, 2030	January 1, 2031
12	February 1, 2032	July 1, 2031	January 1, 2032
13	February 1, 2033	July 1, 2032	January 1, 2033
14	February 1, 2034	July 1, 2033	January 1, 2034
15	February 1, 2035	July 1, 2034	January 1, 2035
16	February 1, 2036	July 1, 2035	January 1, 2036
17	February 1, 2037	July 1, 2036	January 1, 2037
18	February 1, 2038	July 1, 2037	January 1, 2038
19	February 1, 2039	July 1, 2038	January 1, 2039
20	February 1, 2040	July 1, 2039	January 1, 2040

(d) Other Agreements Relating to PILOT Payments. The Agency shall remit to the Taxing Jurisdictions PILOT Payments received hereunder within thirty (30) days of receipt and shall allocate the PILOT Payments among the Taxing Jurisdictions in the same proportion as normal real estate taxes would have been allocated but for the Agency's involvement.

The Company shall not be entitled to receive from the Agency or the Taxing Jurisdictions real property tax benefits relative to the Project for more than the period provided in this

Agreement. The Company therefore agrees that it will not seek from the Agency or the Taxing Jurisdictions any such real property tax exemption for the Project which could provide benefits for more than the periods provided for in this Agreement.”

Section 2. The Chairperson or Executive Director of the Agency, each acting individually, is hereby authorized, on behalf of the Agency, to execute and deliver an Amendment to the PILOT Agreement in the form presented at this meeting with such changes, variations, omissions and insertions to the PILOT Agreement and as may be necessary, any of the Transaction Documents, as the Chairperson or Executive Director of the Agency shall approve in consultation with Special Transaction Counsel, the execution thereof by the Chairperson or Executive Director of the Agency to constitute conclusive evidence of such approval.

Section 3. 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, and or collect from the Company, 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 4. 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 5. The Executive Director or Special Transaction Counsel 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 6. These Resolutions shall take effect immediately.

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

Suzanne Loughlin	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Absent	<input type="checkbox"/> Abstain
Kathleen Lara	<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
Philip Vallone	<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
Ira Steingart	<input 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 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 May 13, 2024 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	[]	[]	
Kathleen Lara	[]	[]	
Carol Roig	[]	[]	
Howard Siegel	[]	[]	
Philip Vallone	[]	[]	
Scott Smith	[]	[]	
Paul Guenther	[]	[]	
Sean Brooks	[]	[]	
Ira Steingart	[]	[]	

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
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] 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

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 13th day of May, 2024.

Carol Roig, Secretary



May 2, 2024

Jennifer M. Flad
Executive Director
County of Sullivan Industrial Development Agency
584 Broadway
Monticello, New York 12701

Re: NY Thompson II, LLC - Amendment to Payment in Lieu of Taxation Agreement

Dear Jennifer,

We are writing to request an amendment to the Payment in Lieu of Taxation Agreement between the County of Sullivan Industrial Development Agency (“Agency”) and NY Thompson II, LLC (“Company”) made as of June 1st, 2018, and amended as of September 15, 2020 (collectively, the “PILOT Agreement”).

Section 575-b of the New York State Real Property Tax Law, which became effective in 2023, sets forth a method for determining the assessed value of community distributed generation (“CDG”) solar systems and requires all assessors to use a discounted cash flow appraisal model (“Model”) published by the New York State Department of Taxation and Finance (“NYS DTF”) for assessing such systems. Under the Model, the theoretical taxes paid by some CDG systems would be far lower than the PILOT payments to be made in accordance with our PILOT Agreement.

Using the Model and the methodology described below, we calculate that the theoretical taxes per MWac for our project would be \$2,759 per year, while the current PILOT is \$6,069 per year. While the PILOT exceeds the theoretical taxes, we wish to remain in the Agency’s program because it provides financial certainty to us and to the taxing jurisdictions. Given this, we respectfully request that the annual PILOT be reduced from \$6,069 per MWac, to \$4,414 per MWac. This represents a decrease of 50% of the difference between the current PILOT amount and the current theoretical taxes using the Model.

Our calculation is based on the following methodology:

Inputs are entered into the Model to produce the cash flow stream for 25 years

- The Model calculates the year 1 assessment value using the project inputs, the discount rate and assumptions built into the Model, and the tax load for the project.
- The assessment value for years 2 to 15 is calculated by doing the same calculation using the remaining years of cash flows. For example, the assessment value in year 15 uses the cash flows in years 15 to 25.
- Using the calculated assessment values for years 1 to 15, the estimated tax payments are calculated using the tax load for the project.



- The estimated tax payments are then used to calculate an equivalent, flat PILOT payment for the 15 year PILOT period

Please feel free to contact me with any questions. Thank you.

Yours very truly,

NY THOMPSON II, LLC

DocuSigned by:
Richard Winter
By: _____
Name: 51AFCDEED2C93404 Richard Winter
Title: CEO

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
- Walter F. Garigliano, Agency General Counsel
- William A. Frank, Special Transaction Counsel

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

Resolution No. __ - 24

RESOLUTION OF THE AGENCY AMENDING THE PAYMENT IN LIEU OF TAXATION AGREEMENT (“PILOT AGREEMENT”) BETWEEN THE AGENCY AND NY THOMPSON II, LLC (“COMPANY”) FOR THE PROJECT (HEREINAFTER DEFINED)

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, in 2014 Governor Andrew M. Cuomo launched Reforming the Energy Vision (“REV”), New York State’s energy policy and plan, which is intended to encourage renewable energy development that will spur economic growth and develop new clean energy business models; and

WHEREAS, the New York Community Distributed Generation (“CDG”) program was approved and enacted by the Public Service Commission in 2015, as part of and in support of the REV initiative; and

WHEREAS, a CDG facility is a commercial scale electricity generator to which residential and business customers can subscribe to receive credits from the electricity generated at the facility without the need to install or maintain equipment at the business or residential location; and

WHEREAS, Section 487 of the New York State Real Property Tax Law (“NYS RPTL”) provides a fifteen-year exemption on real property taxes for all CDG systems in the State, unless the local taxing jurisdiction opts out; and

WHEREAS, Section 487 allows participating jurisdictions to negotiate Payments in Lieu of Taxation Agreements, the purpose of which is to reduce the tax burden and tax rate uncertainty for developers while preserving some of the foregone revenue that would have been paid in real property taxes to the taxing jurisdictions; and

WHEREAS, at the request of the County of Sullivan and various municipalities, in 2016 the Agency adopted its Community Distributed Generation Uniform Tax Exemption Policy (“CDG UTEP”), to provide a uniform system for assessing and collecting PILOTs from CDG projects throughout the County; and

WHEREAS, on or about November 29, 2017, 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 construction of an approximately 1.75MW solar photovoltaic electricity generating facility that will be interconnected to the New York State Electric and Gas (“NYSEG”) electrical grid (“Project”) whereby NYSEG customers in NYSEG Load Zone E that are part of the Company’s Community Solar Program will receive such electricity at a discounted price to the then current NYSEG price. The Project has been constructed and is comprised of (a) racking to mount the solar modules (such racking generally to be pile driven into the ground); (b) solar modules; (c) inverters and transformers to sit on a concrete inverter pad and (d) assorted electrical components and wiring. The solar array has been constructed on one (1) parcel of real estate consisting of approximately 29.64± acres located along Sackett Lake Road, Town of Thompson (“Town”), County of Sullivan (“County”), State and identified on the Town tax map as Section 28, Block 1, Lot 37.3 (“Land”); and

WHEREAS, by resolution, dated December 11, 2017 (“Resolution”), the Agency authorized the Company to act as its agent for the purposes of constructing the Project and conferred on the Company certain financial assistance consisting of: (a) an exemption from all State and local sales and use tax for the purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Project or used in the

construction of the Project, (b) an exemption from mortgage recording tax, and (c) a partial abatement from real property taxes for a period of five (5) years following the statutory exemption from real property taxes under Real Property Tax Law Section 487, which exemption shall be conferred through a certain payment in lieu of tax agreement requiring the Company to make payments in lieu of taxes ("PILOT") for the benefit of each municipality and school district having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption, the mortgage recording tax exemption, and the partial abatement from real property taxes, are hereinafter collectively referred to as the "Financial Assistance"); and

WHEREAS, as relevant here, on or about December 11, 2017, the Agency and the Company entered into the following documents:

- (i) Agent and Project Agreement ("Agent Agreement"); and
- (ii) Environmental Compliance and Indemnification Agreement ("ECIA"); and

WHEREAS, as relevant here, on or about June 1, 2018, the Agency and the Company entered into the following documents:

- (iii) Bill of Sale to Agency ("Bill of Sale to Agency");
- (iv) Bill of Sale to Company ("Bill of Sale to Company" together with Bill of Sale to Agency, "Bills of Sale");
- (v) Lease to Agency and memorandum thereto (collectively, "Lease Agreement");
- (vi) Leaseback to Company and memorandum thereto (collectively, "Leaseback Agreement"); and
- (vii) Payment in Lieu of Taxation Agreement ("2018 PILOT Agreement"), which was superseded by an Amended and Restated Payment in Lieu of Taxation Agreement made as of September 15, 2020 ("A&R PILOT" and together with the 2018 PILOT Agreement, the "PILOT Agreement"); and

The documents listed in (i) through (vii) above are collectively referred to as the "Project Documents"; and

WHEREAS, the Project has been completed and placed in service; and

WHEREAS, in accordance with the PILOT Agreement, the Company has made annual PILOT Payments for PILOT Years 1 through 5 (2020 through 2024); and

WHEREAS, across New York State, the assessed values of CDG systems have varied widely, resulting in uneven tax burdens on CDG developers and uneven revenues for taxing jurisdictions; and

WHEREAS, in response to the variations in assessments to CDG systems, in 2021 the New York State Legislature adopted Section 575-b of the NYS RPTL, which sets forth a method for determining the assessed value of solar or wind systems, including CDG systems, and requires all

assessors to use a discounted cash flow appraisal model (the “Model”) published by the New York State Department of Taxation and Finance (“NYSDTF”) for assessing such systems; and

WHEREAS, the Model was challenged because NYSDTF did not follow the State Administrative Procedure Act (“SAPA”) process, resulting in a delay in implementation of the Model; and

WHEREAS, Part N of the 2024 New York State budget legislation, signed by Governor Kathy Hochul on May 3, 2023, amends Section 575-b of the NYS RPTL so the Model is not subject to SAPA, and amends SAPA to exempt the Model and other appraisal models and discount rates from the requirements of SAPA; and

WHEREAS, under the Model, which now governs, the assessed values of some CDG systems are generally much lower than the assessed values contemplated at the time of PILOT execution; and

WHEREAS, in these instances, the theoretical taxes paid by CDG systems would be far lower than the PILOT Payments to be made in accordance with the PILOT; and

WHEREAS, the Company and the Agency recognize that the PILOT Agreement as currently constructed places a financial burden on the Company that would not exist if the Agency and the Company terminated the PILOT Agreement, but also recognize that the PILOT Agreement provides stability and predictability for both the Company and the taxing jurisdictions; and

WHEREAS, on or about May 2, 2024, the Company requested an amendment to the PILOT Agreement to reduce each annual PILOT Payment by fifty (50%) percent of the difference between the PILOT Payment set forth in the PILOT Agreement and the theoretical taxes as calculated using the Model value of the solar energy improvements; and

WHEREAS, the Agency is willing to amend the PILOT Agreement as requested by the Company as set forth below:

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

Section 1. That Section 2 of the PILOT Agreement is hereby deleted in its entirety and replaced as follows:

“2. Agreement to Make Payments in Lieu of Taxes.

(a) RPTL §487 Exemption Period. The Company has made annual PILOT Payments for PILOT Years 1 through 5 (2020 through 2024) as provided in the PILOT Agreement prior to the amendment contemplated by this Resolution. During Years 6 through 15 (2025 through 2034) of the period the Solar Array is otherwise exempt from general ad valorem real property taxes under §487 of the Real Property Tax Law (“RPTL”), the Company agrees to pay to the Agency at 548 Broadway, Monticello, New York 12701, or at such

other address as shall be designated from time to time by the Agency (the “Agency’s Offices”), payments in lieu of tax (each a "PILOT Payment") in the amount of Four Thousand Four Hundred Fourteen and 00/100 (\$4,414.00) Dollars per name plate MWac, which for this 1.73 MWac name plate Project is Seven Thousand Six Hundred Thirty-Six and 00/100 (\$7,636.00) Dollars;

For only the fifteen (15) year period during which time the Project is owned by the Company or an Affiliate of the Company and is exempt from general ad valorem real property taxes under Real Property Tax Law §487, the Company shall not and shall cause any of its Affiliates (as such term is defined below) not to enter into any agreement to make payments in lieu of tax, or agree to be subject to general ad valorem real property taxes payments, in each case in amounts greater than the PILOT Payments provided for herein for any other solar photovoltaic electricity generating facility located in Sullivan County and interconnected to the NYSEG electrical grid. For the purposes of this Section 2(a), the term "Affiliate" shall mean any entity which, directly or indirectly, is in control of, is controlled by, or is under common control with, the Company.

(b) RPTL §412-a Exemption Period. During any period the Land and Solar Array are exempt from taxation under §412-a of the RPTL and §874 of the Act, the Company agrees to pay the Agency at the Agency’s Offices a PILOT Payment equal to what the real estate taxes on the unimproved Land (without giving effect to any increase to the assessed value associated with the Project) would have been if the Agency was not involved with the Project PLUS Seven Thousand Six Hundred Thirty-Six and 00/100 (\$7,636.00) Dollars.

(c) The chart which follows sets forth the anticipated years of the overall twenty (20) year period for PILOT Payments under the Agency’s Community Distributed Generation Tax Abatement Policy; the date that a PILOT Payment is due; and the appropriate tax periods to which the PILOT Payment applies. These periods are based on the expectation that the Solar Array will be placed in service between March 1, 2018 and March 1, 2019. The “Years” set forth in the first column of the chart shall be adjusted so Year 1 is the February 1 of the year following the next March 1 after the date the Solar Array is placed in service.

Year	PILOT Payment Due Date	School Fiscal Year Beginning	County and Town
1	February 1, 2020	July 1, 2019	January 1, 2020
2	February 1, 2021	July 1, 2020	January 1, 2021
3	February 1, 2022	July 1, 2021	January 1, 2022
4	February 1, 2023	July 1, 2022	January 1, 2023
5	February 1, 2024	July 1, 2023	January 1, 2024
6	February 1, 2025	July 1, 2024	January 1, 2025

7	February 1, 2026	July 1, 2025	January 1, 2026
8	February 1, 2027	July 1, 2026	January 1, 2027
9	February 1, 2028	July 1, 2027	January 1, 2028
10	February 1, 2029	July 1, 2028	January 1, 2029
11	February 1, 2030	July 1, 2029	January 1, 2030
12	February 1, 2031	July 1, 2030	January 1, 2031
13	February 1, 2032	July 1, 2031	January 1, 2032
14	February 1, 2033	July 1, 2032	January 1, 2033
15	February 1, 2034	July 1, 2033	January 1, 2034
16	February 1, 2035	July 1, 2034	January 1, 2035
17	February 1, 2036	July 1, 2035	January 1, 2036
18	February 1, 2037	July 1, 2036	January 1, 2037
19	February 1, 2038	July 1, 2037	January 1, 2038
20	February 1, 2039	July 1, 2038	January 1, 2039

(d) Other Agreements Relating to PILOT Payments. The Agency shall remit to the Taxing Jurisdictions PILOT Payments received hereunder within thirty (30) days of receipt and shall allocate the PILOT Payments among the Taxing Jurisdictions in the same proportion as normal real estate taxes would have been allocated but for the Agency's involvement.

The Company shall not be entitled to receive from the Agency or the Taxing Jurisdictions real property tax benefits relative to the Project for more than the period provided in this Agreement. The Company therefore agrees that it will not seek from the Agency or the Taxing Jurisdictions any such real property tax exemption for the Project which could provide benefits for more than the periods provided for in this Agreement.”

Section 2. The Chairperson or Executive Director of the Agency, each acting individually, is hereby authorized, on behalf of the Agency, to execute and deliver an Amendment to the PILOT Agreement in the form presented at this meeting with such changes, variations, omissions and insertions to the PILOT Agreement and as may be necessary, any of the Transaction Documents, as the Chairperson or Executive Director of the Agency shall approve in consultation with Special Transaction Counsel, the execution thereof by the Chairperson or Executive Director of the Agency to constitute conclusive evidence of such approval.

Section 3. 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,

and or collect from the Company, 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 4. 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 5. The Executive Director or Special Transaction Counsel 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 6. These Resolutions shall take effect immediately.

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

Suzanne Loughlin	[] Yes	[] No	[] Absent	[] Abstain
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] 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

The resolutions were 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 May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] 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

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 13th day of May, 2024.

Carol Roig, Secretary



May 2, 2024

Jennifer M. Flad
Executive Director
County of Sullivan Industrial Development Agency
584 Broadway
Monticello, New York 12701

Re: Rosemond Solar, LLC - Amendment to Payment in Lieu of Taxation Agreement

Dear Jennifer,

We are writing to request an amendment to the Payment in Lieu of Taxation Agreement between the County of Sullivan Industrial Development Agency (“Agency”) and Rosemond Solar, LLC (“Company”) made as of June 1st, 2020, and amended as of September 15, 2020 (collectively, the “PILOT Agreement”).

Section 575-b of the New York State Real Property Tax Law, which became effective in 2023, sets forth a method for determining the assessed value of community distributed generation (“CDG”) solar systems and requires all assessors to use a discounted cash flow appraisal model (“Model”) published by the New York State Department of Taxation and Finance (“NYSDTF”) for assessing such systems. Under the Model, the theoretical taxes paid by some CDG systems would be far lower than the PILOT payments to be made in accordance with our PILOT Agreement.

Using the Model and the methodology described below, we calculate that the theoretical taxes per MWac for our project would be \$5,143 per year, while the current PILOT is \$8,000 per year. While the PILOT exceeds the theoretical taxes, we wish to remain in the Agency’s program because it provides financial certainty to us and to the taxing jurisdictions. Given this, we respectfully request that the annual PILOT be reduced from \$8,000 per MWac, to \$6,572 per MWac. This represents a decrease of 50% of the difference between the current PILOT amount and the current theoretical taxes using the Model.

Our calculation is based on the following methodology:

Inputs are entered into the Model to produce the cash flow stream for 25 years

- The Model calculates the year 1 assessment value using the project inputs, the discount rate and assumptions built into the Model, and the tax load for the project.
- The assessment value for years 2 to 15 is calculated by doing the same calculation using the remaining years of cash flows. For example, the assessment value in year 15 uses the cash flows in years 15 to 25.
- Using the calculated assessment values for years 1 to 15, the estimated tax payments are calculated using the tax load for the project.



- The estimated tax payments are then used to calculate an equivalent, flat PILOT payment for the 15 year PILOT period

Please feel free to contact me with any questions. Thank you.

Yours very truly,

ROSEMOND SOLAR, LLC

DocuSigned by:
Richard Winter
By: _____
Name: ~~Richard Winter~~
Title: CEO

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
Walter F. Garigliano, Agency General Counsel
William A. Frank, Special Transaction Counsel

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

Resolution No. __ - 24

RESOLUTION OF THE AGENCY AMENDING THE PAYMENT IN LIEU OF TAXATION AGREEMENT (“PILOT AGREEMENT”) BETWEEN THE AGENCY AND ROSEMOND SOLAR, LLC (“COMPANY”) FOR THE PROJECT (HEREINAFTER DEFINED)

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, in 2014 Governor Andrew M. Cuomo launched Reforming the Energy Vision (“REV”), New York State’s energy policy and plan, which is intended to encourage renewable energy development that will spur economic growth and develop new clean energy business models; and

WHEREAS, the New York Community Distributed Generation (“CDG”) program was approved and enacted by the Public Service Commission in 2015, as part of and in support of the REV initiative; and

WHEREAS, a CDG facility is a commercial scale electricity generator to which residential and business customers can subscribe to receive credits from the electricity generated at the facility without the need to install or maintain equipment at the business or residential location; and

WHEREAS, Section 487 of the New York State Real Property Tax Law (“NYS RPTL”) provides a fifteen-year exemption on real property taxes for all CDG systems in the State, unless the local taxing jurisdiction opts out; and

WHEREAS, Section 487 allows participating jurisdictions to negotiate Payments in Lieu of Taxation Agreements, the purpose of which is to reduce the tax burden and tax rate uncertainty for developers while preserving some of the foregone revenue that would have been paid in real property taxes to the taxing jurisdictions; and

WHEREAS, at the request of the County of Sullivan and various municipalities, in 2016 the Agency adopted its Community Distributed Generation Uniform Tax Exemption Policy (“CDG UTEP”), to provide a uniform system for assessing and collecting PILOTs from CDG projects throughout the County; and

WHEREAS, on or about February 14, 2020, 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 construction of an approximately 2MW solar photovoltaic electricity generating facility that will be interconnected to the New York State Electric and Gas (“NYSEG”) electrical grid (“Project”) whereby NYSEG customers in NYSEG Load Zone E that are part of the Company’s Community Solar Program will receive such electricity at a discounted price to the then current NYSEG price. The Project is new construction and will be comprised of (a) racking to mount the solar modules (such racking generally to be pile driven into the ground); (b) solar modules; (c) inverters and transformers to sit on a concrete inverter pad and (d) assorted electrical components and wiring. The solar array will be constructed on one (1) parcel of real estate consisting of approximately 50.1± acres located at 191 Rosemond Road, Town of Fallsburg (“Town”), County of Sullivan (“County”), State and identified on the Town tax map as Section 30, Block 1, Lot 9.4 (“Land”); and

WHEREAS, on March 9, 2020 by duly adopted Resolution 11-20 (“Resolution”), the Agency authorized the Company to act as its agent for the purposes of constructing the Project and conferred on the Company certain financial assistance consisting of: (a) an exemption from all State and local sales and use tax for the purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Project or used in the

construction of the Project, (b) an exemption from mortgage recording tax, and (c) a partial abatement from real property taxes for a period of five (5) years following the statutory exemption from real property taxes under Real Property Tax Law Section 487, which exemption shall be conferred through a certain payment in lieu of tax agreement requiring the Company to make payments for the benefit of each municipality and school district having taxing jurisdiction over the Project, (collectively, the sales and use tax exemption, the mortgage recording tax exemption, and the partial abatement from real property taxes, are hereinafter collectively referred to as the “Financial Assistance”); and

WHEREAS, as relevant here, on or about June 1, 2020, the Agency and the Company entered into the following documents:

- (i) Agent and Project Agreement (“Agent Agreement”); and
- (ii) Environmental Compliance and Indemnification Agreement (“ECIA”);
- (iii) Lease to Agency and memorandum thereto (collectively, “Lease Agreement”);
- (iv) Leaseback to Company and memorandum thereto (collectively, “Leaseback Agreement”); and
- (v) Payment in Lieu of Taxation Agreement (“Original PILOT Agreement”), which was superseded by an Amended and Restated Payment in Lieu of Taxation Agreement made as of September 15, 2020 (“A&R PILOT” and together with the Original PILOT Agreement, the “PILOT Agreement”); and

WHEREAS, as relevant here, on or about June 15, 2020, the Agency and the Company entered into the following documents:

- (vi) Bill of Sale to Agency (“Bill of Sale to Agency”); and
- (vii) Bill of Sale to Company (“Bill of Sale to Company” together with Bill of Sale to Agency, “Bills of Sale”);

The documents listed in (i) through (vii) above are collectively referred to as the “Project Documents”; and

WHEREAS, in or about February 2021, the Land upon which the subject solar array was to be constructed was subdivided into two (2) parcels, and the solar array was constructed on approximately 23.5± acres of real estate on a newly created 44.862 parcel on the Land, which newly created parcel is identified as Town of Fallsburg, County of Sullivan, Town tax map Section 30, Block 1, Lot 9.8; and

WHEREAS, the Project has been completed and placed in service; and

WHEREAS, in accordance with the PILOT Agreement, the Company has made annual PILOT Payments for PILOT Years 1 through 3 (2022 through 2024); and

WHEREAS, across New York State, the assessed values of CDG systems have varied widely, resulting in uneven tax burdens on CDG developers and uneven revenues for taxing jurisdictions; and

WHEREAS, in response to the variations in assessments to CDG systems, in 2021 the New York State Legislature adopted Section 575-b of the NYS RPTL, which sets forth a method for determining the assessed value of solar or wind systems, including CDG systems, and requires all assessors to use a discounted cash flow appraisal model (the “Model”) published by the New York State Department of Taxation and Finance (“NYSDTF”) for assessing such systems; and

WHEREAS, the Model was challenged because NYSDTF did not follow the State Administrative Procedure Act (“SAPA”) process, resulting in a delay in implementation of the Model; and

WHEREAS, Part N of the 2024 New York State budget legislation, signed by Governor Kathy Hochul on May 3, 2023, amends Section 575-b of the NYS RPTL so the Model is not subject to SAPA, and amends SAPA to exempt the Model and other appraisal models and discount rates from the requirements of SAPA; and

WHEREAS, under the Model, which now governs, the assessed values of some CDG systems are generally much lower than the assessed values contemplated at the time of PILOT execution; and

WHEREAS, in these instances, the theoretical taxes paid by CDG systems would be far lower than the PILOT Payments to be made in accordance with the PILOT; and

WHEREAS, the Company and the Agency recognize that the PILOT Agreement as currently constructed places a financial burden on the Company that would not exist if the Agency and the Company terminated the PILOT Agreement, but also recognize that the PILOT Agreement provides stability and predictability for both the Company and the taxing jurisdictions; and

WHEREAS, on or about May 2, 2024, the Company requested an amendment to the PILOT Agreement to reduce each annual PILOT Payment by fifty (50%) percent of the difference between the PILOT Payment set forth in the PILOT Agreement and the theoretical taxes as calculated using the Model value of the solar energy improvements; and

WHEREAS, the Agency is willing to amend the PILOT Agreement as requested by the Company as set forth below:

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

Section 1. That Section 2 of the PILOT Agreement is hereby deleted in its entirety and replaced as follows:

“2. Agreement to Make Payments in Lieu of Taxes.

(a) RPTL §487 Exemption Period. The Company has made annual PILOT Payments for PILOT Years 1 through 3 (2022 through 2024) as provided in the PILOT Agreement prior to the amendment contemplated by this Resolution. During Years 4 through 15 (2025 through 2036) of the period the Solar Array is otherwise exempt from general ad valorem

real property taxes under RPTL §487, the Company agrees to pay to the Agency at 548 Broadway, Monticello, New York 12701, or at such other address as shall be designated from time to time by the Agency (the “Agency’s Offices”), payments in lieu of tax (each a “PILOT Payment”) in the amount of Six Thousand Five Hundred Seventy-Two and 00/100 (\$6,572.00) Dollars per name plate MWac, which for this 2 MWac name plate Project is Thirteen Thousand One Hundred Forty-Four and 00/100 (\$13,144.00) Dollars;

For only the fifteen (15) year period during which time the Project is owned by the Company or an Affiliate of the Company and is exempt from general ad valorem real property taxes under Real Property Tax Law §487, the Company shall not and shall cause any of its Affiliates (as such term is defined below) not to enter into any agreement to make payments in lieu of tax, or agree to be subject to general ad valorem real property taxes payments, in each case in amounts greater than the PILOT Payments provided for herein for any other solar photovoltaic electricity generating facility located in Sullivan County and interconnected to the NYSEG electrical grid. For the purposes of this Section 2(a), the term "Affiliate" shall mean any entity which, directly or indirectly, is in control of, is controlled by, or is under common control with, the Company.

(b) RPTL §412-a Exemption Period. During any period the Land and Solar Array are exempt from taxation under §412-a of the RPTL and §874 of the Act, the Company agrees to pay the Agency at the Agency’s Offices a PILOT Payment equal to what the real estate taxes on the unimproved Land (without giving effect to any increase to the assessed value associated with the Project) would have been if the Agency was not involved with the Project PLUS Thirteen Thousand One Hundred Forty-Four and 00/100 (\$13,144.00) Dollars.

(c) The chart which follows sets forth the anticipated years of the overall twenty (20) year period for PILOT Payments under the Agency’s Community Distributed Generation Tax Abatement Policy; the date that a PILOT Payment is due; and the appropriate tax periods to which the PILOT Payment applies. These periods are based on the expectation that the Solar Array will be placed in service between March 1, 2020 and March 1, 2021. The “Years” set forth in the first column of the chart shall be adjusted so Year 1 is the February 1 of the year following next March 1 after the date the Solar Array is placed in service.¹

Year	PILOT Payment Due Date	School Fiscal Year Beginning	County and Town
1	February 1, 2022	July 1, 2021	January 1, 2022
2	February 1, 2023	July 1, 2022	January 1, 2023

¹The Agency calculated and the Company made a PILOT Payment in February 2021 in the amount of Sixteen Thousand and 00/100 (\$16,000.00), which will be applied as a credit toward future PILOT Payments.

3	February 1, 2024	July 1, 2023	January 1, 2024
4	February 1, 2025	July 1, 2024	January 1, 2025
5	February 1, 2026	July 1, 2025	January 1, 2026
6	February 1, 2027	July 1, 2026	January 1, 2027
7	February 1, 2028	July 1, 2027	January 1, 2028
8	February 1, 2029	July 1, 2028	January 1, 2029
9	February 1, 2030	July 1, 2029	January 1, 2030
10	February 1, 2031	July 1, 2030	January 1, 2031
11	February 1, 2032	July 1, 2031	January 1, 2032
12	February 1, 2033	July 1, 2032	January 1, 2033
13	February 1, 2034	July 1, 2033	January 1, 2034
14	February 1, 2035	July 1, 2034	January 1, 2035
15	February 1, 2036	July 1, 2035	January 1, 2036
16	February 1, 2037	July 1, 2036	January 1, 2037
17	February 1, 2038	July 1, 2037	January 1, 2038
18	February 1, 2039	July 1, 2038	January 1, 2039
19	February 1, 2040	July 1, 2039	January 1, 2040
20	February 1, 2041	July 1, 2040	January 1, 2041

(d) Other Agreements Relating to PILOT Payments. The Agency shall remit to the Taxing Jurisdictions PILOT Payments received hereunder within thirty (30) days of receipt and shall allocate the PILOT Payments among the Taxing Jurisdictions in the same proportion as normal real estate taxes would have been allocated but for the Agency's involvement.

The Company shall not be entitled to receive from the Agency or the Taxing Jurisdictions real property tax benefits relative to the Project for more than the period provided in this Agreement. The Company therefore agrees that it will not seek from the Agency or the Taxing Jurisdictions any such real property tax exemption for the Project which could provide benefits for more than the periods provided for in this Agreement.”

Section 2. The Chairperson or Executive Director of the Agency, each acting individually, is hereby authorized, on behalf of the Agency, to execute and deliver an Amendment to the PILOT Agreement in the form presented at this meeting with such changes, variations, omissions and insertions to the PILOT Agreement and as may be necessary, any of the Transaction Documents, as the Chairperson or Executive

Director of the Agency shall approve in consultation with Special Transaction Counsel, the execution thereof by the Chairperson or Executive Director of the Agency to constitute conclusive evidence of such approval.

Section 3. 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, and or collect from the Company, 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 4. 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 5. The Executive Director or Special Transaction Counsel 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 6. These Resolutions shall take effect immediately.

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

Suzanne Loughlin	[] Yes	[] No	[] Absent	[] Abstain
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] 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

The resolutions were 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 May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] 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

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 13th day of May, 2024.

Carol Roig, Secretary

RESOLUTION

A regular meeting of the County of Sullivan Industrial Development Agency (“Agency”) was convened on May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
- Walter F. Garigliano, Agency General Counsel

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

Resolution No. __ - 24

RESOLUTION (I) AUTHORIZING ADDITIONAL FINANCING FOR GIBBERS ESTATES LLC (“GIBBERS”) AND M E P WHOLESALERS CORP. (“M E P”, AND TOGETHER WITH GIBBERS, COLLECTIVELY THE “COMPANY”) PROJECT; AND (II) AUTHORIZING THE CHAIRPERSON OR EXECUTIVE DIRECTOR TO EXECUTE AND DELIVER ONE OR MORE MORTGAGES AND ALL RELATED DOCUMENTS NECESSARY TO EFFECTUATE THE FOREGOING

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 #41 – 23, dated November 13, 2023, the Agency authorized the Company to act as its agent for the purposes 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 has 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

WHEREAS, Lender has expressed a preference to redocument the SBA Loan and requested the Agency join in execution of a mortgage and related document to secure a SBA Loan of Two Million Four Hundred Thousand and 00/100 (\$2,400,000.00) Dollars.

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

Section 1. The Chairperson or Executive Director of the Agency, each acting individually, are hereby authorized, on behalf of the Agency, to execute and deliver a mortgage and related document to secure the SBA Loan of Two Million Four Hundred Thousand and 00/100 (\$2,400,000.00) Dollars.

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 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:

Suzanne Loughlin	[] Yes	[] No	[] Absent	[] Abstain
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] 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

The resolutions were 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 May 13, 2024 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	[]	[]
Kathleen Lara	[]	[]
Carol Roig	[]	[]
Howard Siegel	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]

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
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Carol Roig	[] Yes	[] No	[] Absent	[] Abstain
Howard Siegel	[] 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

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 13th day of May, 2024.

Carol Roig, Secretary