

INITIAL RESOLUTION
(SAPA Hospitality, LLC Project)

A regular meeting of the Orange County Industrial Development Agency held on October 18, 2023 at 5:30 p.m. (local time) at the Orange County Government Center Community Room, 255 Main Street, Goshen, New York.

The meeting was called to order by Dean Tamburri and upon the roll being duly called, the following members were: Susan Walski, Giovanni Palladino, Marc Greene, Jeffrey Crist, Dr. Vincent Odock

MEMBERS PRESENT: Susan Walski, Giovanni Palladino, Marc Greene, Jeffrey Crist, Dr. Vincent Odock

THE FOLLOWING PERSONS WERE ALSO PRESENT: Bill Fioravanti, Susan Katzoff, Marty Borrás, Jose Rojas (AV), Louis DiCostanzo (SAPA Hospitality), Lou Bach (Spectrum)

The following Resolution was offered by Dean Tamburri and seconded by Susan Walski:

RESOLUTION OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF SAPA HOSPITALITY, LLC WITH RESPECT TO A COMMERCIAL PROJECT (AS MORE FULLY DESCRIBED BELOW), (ii) DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AND (iii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO SUCH PROJECT

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 390 of the Laws of 1972 of the State of New York, (hereinafter collectively called the "*Act*"), the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "*Agency*") was created with the authority and power and for the purpose of, among other things, acquiring, constructing, reconstructing and equipping manufacturing, warehousing, research, commercial, or industrial facilities as authorized by the Act; and

WHEREAS, SAPA Hospitality, LLC, a New York limited liability company (the "*Company*"), has submitted an application (the "*Application*") to the Agency requesting the Agency's assistance with a certain project (the "*Project*") consisting of: (A)(i) the acquisition of a leasehold interest in approximately 2.1 acres of vacant land located at 12 Ben Gilman Way, Town of Wallkill, New York (Tax Map No. 78-1-80.622) (the "*Land*") (ii) the construction of a five (5) story, 81,160 square foot Homewood Suites hotel with a pool and related amenities as well as landscaping and associated surface parking lot (collectively, the "*Facility*"); (iii) the acquisition and installation in and on the Facility of furniture, fixtures and equipment (the "*Equipment*" and together with the Land and the Facility, the "*Project Facility*"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "*Financial Assistance*"); (C) the appointment of the Company or its designee as an agent

of the Agency in connection with the acquisition, construction, equipping and completion of the Project Facility; and (D) the acquisition of an interest in the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a leaseback agreement; and

WHEREAS, pursuant to Article 18-A of the General Municipal Law, the Agency desires to adopt a resolution describing the Project and the Financial Assistance that the Agency is contemplating with respect to the Project; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “**SEQRA**”), the Agency is required to make a determination with respect to the environmental impact of any “action” (as said quoted term is defined in SEQRA) to be taken by the Agency and the approval of the Project constitutes such an action; and

WHEREAS, the Company and/or its affiliate/subsidiary Crystal Run Crossing LLC prepared and submitted a Full Environmental Assessment Form, dated October 25, 2019 (“**EAF**”) to the Town of Wallkill Planning Board to obtain approval for a project that is substantially similar to the Project being undertaken by the Agency; and

WHEREAS, the Town of Wallkill Planning Board determined that the project before it and described in the EAF constituted an “Unlisted” action (as said quoted term is defined in SEQRA); and

WHEREAS, on January 8, 2020, the Town of Wallkill Planning Board, consistent with the procedures and criteria set forth in the SEQRA regulations, conducted a duly noticed public hearing and analyzed the relevant areas of environmental concern using the SEQRA standards and ultimately determined that the project would not have a significant adverse impact on the environment, and adopted a negative declaration (“**Negative Declaration**” and collectively with the EAF, the “**SEQRA Documents**”) which SEQRA Documents are attached hereto as **Exhibit “B”**; and

WHEREAS, the Agency has undertaken a comprehensive and detailed review of the SEQRA Documents and findings of the Town of Wallkill Planning Board; and

WHEREAS, the Agency hereby adopts the SEQRA finding and Negative Declaration of the Town of Wallkill Planning Board with respect to the environmental impact of the Project; and

WHEREAS, the Agency has not approved undertaking the Project or granting the Financial Assistance; and

WHEREAS, the grant of Financial Assistance to the Project is subject to, among other things, the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the

people of the State or increasing the overall number of permanent, private sector jobs in the State.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

SECTION 1. The Company has presented the Application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's Application, the Agency hereby finds and determines that:

(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; and

(B) The Project constitutes a "project" within the meaning of the Act;

(C) The Agency has the authority to take the actions contemplated herein under the Act; and

(D) The Financial Assistance contemplated with respect to the Project consists of assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax. The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Orange County, New York, and otherwise furthering the purposes of the Agency as set forth in the Act; and

SECTION 2. Each the Chairman, Vice Chairman, Chief Executive Officer and/or the Chief Operating Officer of the Agency are hereby authorized, on behalf of the Agency, to hold a public hearing pursuant to Section 859-a of the Act. A public hearing with respect to the Project and Financial Assistance shall be scheduled with notice thereof published, and such notice, as applicable, shall further be sent to affected tax jurisdictions within which the Project is located.

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 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 the foregoing resolutions 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. The Secretary, Chief Operating Officer or the Chief Executive Officer of the Agency is hereby authorized to and may distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution. A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

SECTION 5. In the event that (a) the Company does not proceed to final Agency approval within six (6) months of the date hereof; and/or (b) close with the Agency on the proposed Financial Assistance within twelve (12) months of the date hereof, the Agency reserves the right

to rescind and cancel this Resolution and all approvals made hereunder or under any other Agency resolution or action.

SECTION 6. These Resolutions shall take effect immediately.

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

	<i>Yea</i>	<i>Nay</i>	<i>Absent</i>	<i>Abstain</i>
Dean Tamburri	X			
Vincent Odock	X			
Marc Greene	X			
Giovanni Palladino	X			
James Rinaldi	X			
Susan Walski	X			
Jeffrey Crist	X			

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF ORANGE) SS:

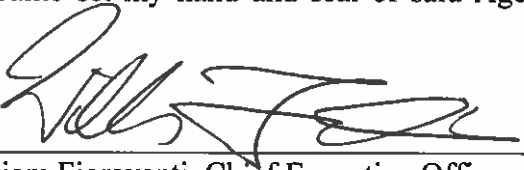
I, the undersigned Chief Executive Officer of the Orange County Industrial Development Agency, **DO HEREBY CERTIFY:**

That I have compared the foregoing extract of the minutes of the meeting of the Orange County Industrial Development Agency (the "Agency") including the resolution contained therein, held on October 18, 2023, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency on 10/18/23.



William Fioravanti, Chief Executive Officer

(S E A L)