

Motion By: Di Salvo
Seconded By: Goydos

AUTHORIZING RESOLUTION

*(CRH Realty VIII, LLC Project conveyance
from HP Newburgh 300, LLC to Welltower OM Group LLC)*

A regular meeting of the Orange County Industrial Development Agency was held on Thursday, November 14, 2019, at 2:00 p.m. (local time) at the Orange County Business Accelerator, 4 Crotty Lane, Suite 100, New Windsor, New York 12553.

After the meeting had been duly called to order, the Chairperson announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to an existing project for the benefit of HP Newburgh 300, LLC.

RESOLUTION AUTHORIZING THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO (i) EXECUTE ALL NECESSARY DOCUMENTS IN CONNECTION WITH THE CONVEYANCE OF THE PROJECT AND THE PROJECT DOCUMENTS (AS EACH IS DEFINED HEREFTER) TO WELLTOWER OM GROUP LLC, WHICH PROJECT AND PROJECT DOCUMENTS WERE PREVIOUSLY ASSIGNED TO HP NEWBURGH 300, LLC FROM CRH REALTY VIII, LLC AND (ii) CONSENT TO THE SUBLEASE OF THE FACILITY BY WELLTOWER OM GROUP LLC TO CRYSTAL RUN HEALTHCARE PHYSICIANS LLP PURSUANT TO SECTION 6.3(a) OF THE LEASEBACK AGREEMENT.

WHEREAS, by resolutions adopted by the ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") on November 20, 2013 and February 27, 2014, the Agency authorized the execution of certain documents with respect to the Project (as defined below), including (i) that certain Lease Agreement, dated as of September 1, 2014 (the "Lease Agreement"), by and between the Agency and CRH Realty VIII, LLC ("CRH"), a memorandum of the Lease Agreement being recorded in the office of the Orange County Clerk on September 26, 2014, in Liber 13799 of Deeds, at page 0314; (ii) that certain Leaseback Agreement, dated as of September 1, 2014 (the "Leaseback Agreement"), by and between the Agency and CRH, a memorandum of the Leaseback Agreement being recorded in the office of the Orange County Clerk on September 26, 2014, in Liber 13799 of Deeds, at page 0452; (iii) a certain Payment-in-Lieu-of-Tax Agreement, dated as of September 1, 2014 (the "PILOT Agreement"), by and between the Agency and CRH; and (iv) an Environmental Compliance and Indemnification Agreement, dated as of September 1, 2014 (the "Environmental Compliance Agreement"), by and between the Agency and CRH (collectively, the Lease Agreement, the Leaseback Agreement, the PILOT Agreement, and the Environmental Compliance Agreement and related documents are referred to as, the "Project Documents"); and

WHEREAS, pursuant to the Project Documents, the Agency provided financial assistance to CRH in the form of (a) a sales tax exemption for purchases and rentals related to

the acquisition, construction and equipping of the Project, (b) a partial real property tax abatement through the PILOT Agreement, and (c) a mortgage recording tax exemption for the financing related to the Project (collectively, the "Financial Assistance"); and

WHEREAS, the Project consisted of: (i) the acquisition by the Agency of a leasehold interest in an aggregate approximately 8.1±-acres of land located on Union Avenue (NYS Route 300) in the Towns of Newburgh and New Windsor, Orange County, New York (the "Land"), (ii) the construction on the Land of an approximately 66,070 square foot two-story building and related improvements to be used by CRH and its tenants for office and related space, including, but not limited to, an MRI unit (the "Improvements"); and (iii) the acquisition and installation in, on and around the Improvements of certain items of equipment and other tangible personal property including, but not limited to, HVAC systems, medical imaging equipment, plumbing and electrical fixtures, elevators and office furniture (collectively, the "Equipment"; and, together with the Land and the Improvements, the "Facility"); and

WHEREAS, pursuant to that certain Assignment and Assumption of Agreements, dated January 31, 2017 (the "2017 Assignment"), CRH assigned to HP Newburgh 300, LLC (the "Company") all of CRH's rights, title, interest, duties, obligations and liabilities under the Project Documents; and

WHEREAS, the Company wishes to sell the Project to Welltower OM Group LLC or an affiliated company thereof (collectively, the "Purchaser") and assign its interest in the Project Documents to the Purchaser; and

WHEREAS, the Purchaser wishes to accept the assignment and assume the responsibilities of the Company pursuant to the Project Documents; and

WHEREAS, the Agency has determined that said sale will not disqualify the Purchaser for the property tax abatements provided pursuant to the Lease Agreement, the Leaseback Agreement and the PILOT Agreement, and therefore, wishes to cooperate with said sale provided that the formula used to compute the tax abatements is applied unchanged to the Project after conveyance to the Purchaser; and

WHEREAS, pursuant to a Lease Agreement, dated January 31, 2017 (the "Purchaser's Sublease"), by and between the Purchaser, as successor in interest to the Company, as landlord, and Crystal Run Healthcare LLP, as tenant (the "Subtenant"), the Purchaser subleased the Facility to the Subtenant; and

WHEREAS, the Subtenant notified the Purchaser that the Subtenant will reorganize its corporate structure into a new entity, Crystal Run Healthcare Physicians LLP (the "New Subtenant"), which will assume the Subtenant's obligations under the Purchaser's Sublease; and

WHEREAS, pursuant to Section 6.3(a) of the Leaseback Agreement, the Purchaser requests the Agency consent to the New Subtenant and to the amendment of the Purchaser's

Sublease; and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively, "SEQRA"), the Agency must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to undertake the foregoing.

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

Section 1. The Agency finds that the proposed action and the providing of Financial Assistance to the Company constitutes a "Type II action" pursuant to 6 N.Y.C.R.R. Part 617.5 and therefore is exempt from review under SEQRA.

Section 2. The Agency hereby consents to the above-described conveyance.

Section 3. The Agency hereby consents to the Purchaser subleasing the Facility to the New Subtenant and to the amendment of the Purchaser's Sublease.

Section 4. The Chairperson, Vice Chairperson and/or the Chief Operating Officer of the Agency are hereby authorized, on behalf of the Agency, to execute assignments of the Project Documents and any related documents necessary to reflect said conveyance.

Section 5. This resolution shall take effect immediately.

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

	<u><i>Yea</i></u>	<u><i>Nay</i></u>	<u><i>Absent</i></u>	<u><i>Abstain</i></u>
Mary Ellen Rogulski	✓			
John Steinberg, Jr.	✓			
Stephen Brescia			✓	
Edward A. Diana	✓			
Robert S. Schreibeis, Sr.	✓			
James DiSalvo	✓			
Michael Gaydos	✓			

The resolutions were thereupon duly adopted.

SECRETARY'S CERTIFICATION
(CRH Realty VIII, LLC Project conveyance
from HP Newburgh 300, LLC to Welltower OM Group LLC)

STATE OF NEW YORK)
COUNTY OF ORANGE) SS.:

I, the undersigned ^{CEO}~~Secretary~~ of the Orange County Industrial Development Agency,
DO HEREBY CERTIFY:

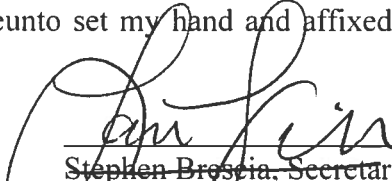
That I have compared the annexed extract of the minutes of the meeting of the Orange County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on November 14, 2019, with the original thereof on file in the office of the Agency, and that the same is a true and 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 related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of the 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 such Article 7.

I FURTHER CERTIFY, that there was a quorum of the Directors of the Agency present throughout said meeting.

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 affixed the seal of said Agency this 14 day of November, 2019.



Stephen Broscia, Secretary
Laurie Villasuso, Chief Executive
Officer