

Motion By: BRESCIA
Seconded By: MCCAREY

RESOLUTION

*(Clear Key II, LLC Project conveyance
from Clear Key II, LLC to Blooming Grove Hotel, LLC)*

A regular meeting of the Orange County Industrial Development Agency was held on November 12, 2020 at 2:00 p.m. (local time) at The Accelerator, 4 Crotty Lane, Suite 100, New Windsor, New York 12553 in accordance with Executive Order Number 202.1, as extended by subsequent executive orders.

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 Clear Key II, LLC.

RESOLUTION AUTHORIZING THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO EXECUTE ALL NECESSARY DOCUMENTS IN CONNECTION WITH THE CONVEYANCE OF THE PROJECT AND THE PROJECT DOCUMENTS (AS DEFINED BELOW) TO BLOOMING GROVE HOTEL, LLC.

WHEREAS, by resolutions adopted by the ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") on March 10, 2016 and August 11, 2016, 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 March 1, 2017 (the "Lease Agreement"), by and between the Agency and Clear Key II, LLC ("Clear Key"); (ii) that certain Leaseback Agreement, dated as of March 1, 2017, by and between the Agency and Clear Key (the "Leaseback Agreement"); (iii) a certain Environmental Compliance and Indemnification Agreement, dated as of March 1, 2017, by the Company (the "Environmental Compliance Agreement"); and (iv) that certain Tax Agreement, dated as of March 1, 2017, by and between the Agency and Clear Key (the "Tax Agreement") (collectively, the Lease Agreement, the Leaseback Agreement, the Environmental Compliance Agreement, the Tax Agreement and related documents are hereinafter referred to as, the "Project Documents"); and

WHEREAS, pursuant to the Project Documents, the Agency provided financial assistance to Clear Key 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 Tax 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 or other interest in an approximately 11±-acre parcel of land located on State Route 208 in the Village of South Blooming Grove, Orange County, New York [TMID #: Part of 219-1-1] (the "Land"), (ii) the construction on the Land of an approximately 40,000 square-foot Sleep Inn &

Suites hotel (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, beds, dressers, carpeting, tables, chairs, HVAC systems, plumbing and electrical fixtures and elevators (collectively, the "Equipment" and, together with the Land and the Improvements, the "Facility"); and

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

WHEREAS, the Purchaser wishes to accept the assignment and assume the responsibilities of Clear Key with respect to the Project and pursuant to the Project Documents, as the same may be amended from time to time; 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 Tax 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.

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

Section 1. The Agency hereby consents to the above-described conveyance and transfer of the Facility and assignment of the Project Documents and any amendments thereto necessary to effectuate the assignment.

Section 2. The Chairperson, Vice Chairperson and/or the Chief Executive Officer of the Agency are hereby authorized, on behalf of the Agency, to execute assignments and amendments of the Project Documents and any related documents necessary to reflect said conveyance.

Section 3. This resolution shall take effect immediately.

[Remainder of Page Intentionally Left Blank]

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	x			
Edward A. Diana	x			
James DiSalvo	x			
Stephen Brescia	x			
Michael Gaydos			x	
John McCarey	x			
Denise Quinn	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:

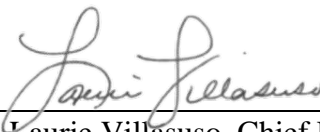
That I have compared the foregoing extract of the minutes of the special meeting of the Orange County Industrial Development Agency (the "Agency") including the resolution contained therein, held on the 12th day of November, 2020, with the original thereof on file in my office, and that the same is a 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 there was a quorum of the members 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 seal of said Agency this 12th day of November, 2020.

By: 
Laurie Villasuso, Chief Executive Officer