

APPROVING RESOLUTION
(Leentjes Amusement Corp. (d/b/a The Castle) Project)

A regular meeting of the Orange County Industrial Development Agency held on April 24, 2024, at 5:00 p.m. (local time) at the Orange County Industrial Development Agency headquarters, 4 Crotty Lane, Suite 100, New Windsor, New York 12553.

The meeting was called to order by Chairman Crist and upon the roll being duly called, the following members were:

MEMBERS PRESENT: Jeff Crist, Dearn Tamburri, Sue Walski, Linda Muller, Vincent Odock, Marc Greene

THE FOLLOWING PERSONS WERE ALSO PRESENT: Bill Fioravanti, Marty Borras, Kelly Reilly, Susan Katzoff, Brian Sanvidge, Jose Rojas, John Cappello, Brian Leentjes(zoom)

The following Resolution was offered by D. Tamburri and seconded by M. Greene:

**RESOLUTION APPROVING A RETROACTIVE
EXTENSION OF THE APPOINTMENT OF THE COMPANY
AND ITS SUB-AGENTS AS AGENTS OF THE AGENCY
THROUGH APRIL 30, 2025; AND AUTHORIZING THE
EXECUTION OF ANY AND ALL NECESSARY
DOCUMENTS**

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, as amended (hereinafter collectively called the "*Act*"), the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "*Agency*") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, at the request of X, LLC, 717 LLC AND BAZS, LLC (collectively, the "*Company*"), by resolution adopted April 14, 2016 (the "*Approving Resolution*") the Agency agreed to undertake a project (the "*Original Project*") consisting of: (A) the acquisition or retention by the Agency of a leasehold interest in a portion of a parcel of land located at 109-115 Brookside Avenue in the Village and Town of Chester, Orange County, New York [TMID #: Part of 107-2-14.2, Part of 107-2-15 and Part of 2-1-61.2] (collectively, the "*Land*") and the existing improvements thereon consisting principally of two 18-hole mini-golf courses, go-kart track, climbing wall, arcade, batting cages, a roller skating rink, laser tag area, 200-seat restaurant, rock climbing area and indoor arcade (collectively the "*Existing Improvements*"); (B)(i) the removal of the existing batting cages to make room for new rides and (ii) the construction on the Land of an approximately 15,000 square-foot addition to the existing building to accommodate new rides,

arcade equipment, inflatable bounces, digital billboards and related improvements and equipment in furtherance of the Company's existing amusement park (collectively, the "**Original Improvements**"); (C) the acquisition in and around the Improvements of certain items of equipment, machinery and other tangible personal property (the "**Original Equipment**" and, collectively with the Land, the Existing Improvements and the Original Improvements, the "**Original Project Facility**"); and (D) the granting of certain financial assistance in the form of exemptions from real estate taxes, State and local sales and use tax and mortgage recording tax, if necessary (collectively the "**Financial Assistance**"); and

WHEREAS, the Company and Agency entered into a lease transaction, dated as of April 1, 2016, to effectuate the undertaking of the Original Project and the conference of the approved Financial Assistance (the "**Lease Transaction**"); and

WHEREAS, the Company and its subagent, Leentjes Amusements Corp. ("**Leentjes**"), were originally appointed, and pursuant to subsequent extensions, as the sub-agent of the Agency through March 1, 2024 (the "**Appointment**") for the purpose of undertaking and completing the Original Project; and

WHEREAS, by resolution adopted March 24, 2024, at the request of the Company, and pursuant to a supplemental application, the Agency approved certain modifications to the scope of the Original Project consisting of: (i) the addition of another level to the planned 15,000 square-foot addition to the existing building, thereby increasing the total size to 26,000 square feet which will house a roller skating rink and 12 bowling lanes; and (ii) to modify the go kart track to rise 35 feet near the highway to accommodate the additional building size (collectively, the "**Modifications**") and an increase in their Financial Assistance consisting of an increase in the amount of State and local sales and use tax exemptions in an amount not to exceed \$178,750 (the "**Additional Financial Assistance**"); and

WHEREAS, due to an oversight caused by the timing of the Company's request for the Modifications and the Additional Financial Assistance, the Company did not seek, at the same time, a further extension of their Appointment for purposes of utilizing the Additional Financial Assistance to complete the Original Project as modified by the Modifications; and

WHEREAS, by correspondence dated April 3, 2024, the Company requested a retroactive extension of their Appointment from March 1, 2024 through and including until April 30, 2025 (the "**Extension**") to allow them to complete the Original Project as modified by the Modifications; 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 whether the "action" (as said quoted term is defined in SEQRA) to be taken by the Agency may have a "significant impact on the environment" (as said quoted term is utilized in SEQRA), and the agreement of the Agency to undertake the Original Project constitutes such an action; and

WHEREAS, a thorough SEQRA review was undertaken in conjunction with the Original Project and the Modifications.

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

SECTION 1. Based upon the representations made by the Company to the Agency, as set forth in the recitals hereof and which are incorporated herein by reference, the Agency hereby makes the following findings and determinations:

(a) The granting of the Extension does not require reconsideration or further review by the Agency under SEQRA.

(b) The Agency authorizes the Extension for purposes of completing the Original Project as modified by the Modifications through and including April 30, 2025, conditioned upon: (i) there being no events of default under any of the documents executed and delivered by the Company in conjunction with the Lease Transaction, the Original Project and/or the Modifications, including but not limited to a lease agreement, a leaseback agreement, a project agreement, a tax agreement and an environmental compliance and indemnification agreement, each dated on or after April 1, 2016, as may have been subsequently amended from time to time (collectively, the "**Lease Documents**"); (ii) Company's confirmation that all insurance executed and delivered in conjunction with the Project and the Lease Transaction remains in full force and effect all in accordance with the Lease Documents and will submit to the Agency proof of insurance naming the Agency as an additional insured pursuant to the Agency's requirements under the Lease Documents; (iii) Company's submission to the Agency of any applicable information requested by the Agency with respect to the Extension so that they can accurately track and report Project and Financial Assistance information as required under the Act; (iv) Company's submission of any applicable administrative fees and all legal fees incurred by the Agency in exchange for the Agency's grant of the Extension; (v) submitting any proof required by the Agency demonstrating that the Company has not realized State and local sales and use tax exemptions in excess of what was authorized for the Project; and (vi) the execution and delivery by the Company of the Extension Documents (as defined herein).

SECTION 2. The Chairman, Vice Chairman and/or Chief Executive Officer of the Agency, acting individually, are each hereby authorized and directed, on behalf of the Agency, to execute the documents necessary to effectuate the Extension (the "**Extension Documents**") and execute and deliver any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein, as approved by the Chairman, Vice Chairman and/or Chief Executive Officer, and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution.

SECTION 3. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her

individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 4. Bousquet Holstein PLLC, as counsel to the Agency, is hereby authorized to work with the Company and others to prepare for submission to the Agency, all documents necessary to effect the Extension.

SECTION 5. The Secretary, the Chief Executive Officer of the Agency are hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

SECTION 6. The approvals provided for herein are contingent upon the Company's payment of all the Agency's fees and costs, including but not limited to attorney's fees.

SECTION 7. 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:

	<u><i>Yea</i></u>	<u><i>Nay</i></u>	<u><i>Absent</i></u>	<u><i>Abstain</i></u>
Jeffrey D. Crist	X			
Dean Tamburri	X			
Vincent Odock	X			
Marc Greene	X			
Giovanni Palladino			X	
Susan Walski	X			
Linda Muller	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:**

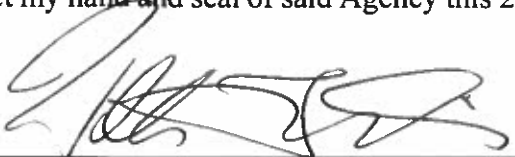
That I have compared the foregoing extract of the minutes of the meeting of the Orange County Industrial Development Agency (the "*Agency*") including the resolution contained therein, held on April 24, 2024, with the original thereof on file in the office of the Agency, and that the same is a true and 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 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 24th day of April, 2024.



William Fioravanti, Chief Executive Officer

(S E A L)



April 3, 2024

Dear IDA Board,

We are requesting an extension of our sales tax exemption until April 30, 2025. The current termination date was March 1, 2024. The board authorized an increase in our financial assistance to complete the project, but we will need additional time to do so.

The reason for our extension is due to the delays that were created not only by covid but by the escalated costs of materials which in turn delayed our planning and engineering.

We are now in full swing with the construction of the project and the above date will finish out the job for next summer season.

Thank You for your consideration,

A handwritten signature in black ink, appearing to read "B. Leentjes".

Brian Leentjes, Owner
The Castle Fun Center

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