

Motion By: Tamburni
Seconded By: Torelli

SECOND SUPPLEMENTAL FINAL RESOLUTION

(South Gate Flats, LTD Project)

A regular meeting of the Orange County Industrial Development Agency was held on March 16, 2022, at 5:30 p.m. (local time), in the Community Room at the Orange County Government Center, 255 Main Street, Goshen, New York 10924.

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of the Company (as defined hereafter).

SECOND SUPPLEMENTAL FINAL RESOLUTION AUTHORIZING (i) ADDITIONAL FINANCIAL ASSISTANCE TO SOUTH GATE FLATS, LTD (THE "COMPANY") IN AMOUNTS EXCEEDING THE AMOUNTS APPROVED BY THE AGENCY IN ITS SUPPLEMENTAL FINAL RESOLUTION ADOPTED ON FEBRUARY 16, 2022; and (ii) THE EXECUTION OF RELATED 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 civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, by Resolutions duly adopted on May 14, 2020 and February 16, 2022, the Agency appointed **SOUTH GATE FLATS, LTD**, a New York limited partnership, for itself or an entity formed or to be formed (collectively, the "Company"), the true and lawful agent of the Agency to undertake a certain project (the "Project") consisting of: (A)(i) the acquisition by the Agency of a leasehold interest in an approximately 7.66-acre parcel of land located at 479 Main Street in the Village of Highland Falls, Town of Highlands, Orange County, New York (the "Land"), together with the existing buildings thereon, comprised of approximately 30,000 square-feet (the "Existing Improvements"); (ii) the construction on the Land of an aggregate approximately six (6) story 130,000 square-foot building comprised of (A) approximately 125,000 square-feet for use as a 78-unit hotel and spa, restaurant, and conference space; and (B) approximately 5,000 square-feet for use as office space (collectively, 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, mechanicals, plumbing, lighting, fixtures and furnishings (collectively, the "Equipment"; and, together with the Land, the Existing Improvements and the Improvements, the "Facility"); and

WHEREAS, the Agency previously approved a mortgage amount of \$27,412,218 which would result in mortgage recording tax savings through the Agency of \$205,592; and

WHEREAS, the Agency previously appointed the Company as its true and lawful agent to make purchases of goods and services relating to the Project that would otherwise be subject to New York State and local sales and use tax in an amount up to \$17,792,779, which would result in New York State and local sales and use tax exemption benefits (the "Original Sales and Use Tax Exemption Benefits") not to exceed \$1,445,663; and

WHEREAS, the Company has requested the Agency approve an increase in the mortgage amount to \$42,262,444 which would result in mortgage tax savings through the Agency of \$316,968; and

WHEREAS, the Company has also requested that the Agency authorize the Company to make purchases of goods and services relating to the Project that would otherwise be subject to New York State and local sales and use tax in an the amount up to \$25,252,699, which would result in New York State and local Sales and Use Tax Exemption Benefits not to exceed \$2,051,782 (as increased, the "Sales and Use Tax Exemption Benefits"); and

WHEREAS, the Agency desires to adopt a resolution authorizing (i) the increase in mortgage amount and savings on mortgage recording tax; (ii) the increase in Sales and Use Tax Exemption Benefits; and (iii) the execution and delivery of any documents necessary and incidental thereto.

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

Section 1. Based upon the representation and warranties made by the Company in its request, the Agency hereby authorizes and approves (i) a mortgage in the amount of **\$42,262,444**, which results in mortgage recording tax savings through the Agency of **\$316,968**; and (ii) 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 **\$25,252,699**, which result in New York State and local Sales and Use Tax Exemption Benefits not to exceed **\$2,051,782**. The Agency agrees to consider any requests by the Company for an 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 2. The Chief Executive Officer, Chairman or Vice Chairman of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver any agreements, documents or certificates necessary and incidental to providing the Company with a partial mortgage recording tax exemption and the increase in Sales and Use Tax Exemption Benefits.

Section 3. The Chief Executive Officer, Chairman or Vice Chairman or any officer 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 such Chief Executive Officer, Chairman or Vice Chairman

of the Agency 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. In consequence of the foregoing, the officers, employees and agents of the Agency are further authorized and directed for and in the name and on behalf of the Agency to execute and deliver any future mortgage, security agreement and such other collateral instruments as may be required by the Company's lender for the purpose of subjecting the Agency's interest in the Facility (except its Unassigned Rights, as defined in the Leaseback Agreement) to the lien of a mortgage and for no other purpose.

Section 5. This resolution 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>
Michael Torelli	X			
Vincent Odock	X			
Dean Tamburri	X			
Robert Kennedy III	X			
Susan Walski	X			
James Rinaldi	X			
Noel Spencer	X			

The Resolutions were thereupon duly adopted.

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STATE OF NEW YORK)
COUNTY OF ORANGE) ss:

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

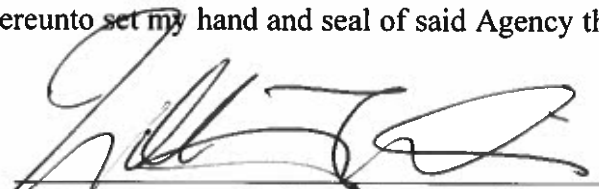
That I have compared the foregoing extract of the minutes of the meeting of the Orange County Industrial Development Agency (the "Agency") including the resolution contained therein, held on March 16, 2022, with the original thereof on file in the office of the Agency, and that the same is a true and 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 16th day of March, 2022.



William Fioravanti, Chief Executive Officer