

Motion By: Ragunski
Seconded By: Chrekeis

SUPPLEMENTAL RESOLUTION
(CRH Realty III, LLC Project)

A regular meeting of the Orange County Industrial Development Agency was held on May 14, 2015 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 Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the CRH Realty III, LLC (the "Company") Project.

RESOLUTION OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") (i) AUTHORIZING AN INCREASE IN THE FINANCIAL ASSISTANCE (AS DESCRIBED BELOW) TO BE PROVIDED BY THE AGENCY TO COMPANY, (ii) RATIFYING AND CONFIRMING THE FINDINGS OF THE AGENCY MADE BY RESOLUTIONS ADOPTED ON AUGUST 15, 2012 AND OCTOBER 17, 2012 AND (iii) IF NECESSARY, AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS IN CONNECTION WITH SUCH INCREASE IN FINANCIAL ASSISTANCE AND COMMENCEMENT OF PILOT BENEFITS.

WHEREAS, by Title 1 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, **CRH REALTY III, LLC** (the "Company"), for itself or on behalf of an entity to be formed (the "Company"), previously submitted an application (the "Application") to the Agency requesting the Agency's assistance with respect to a certain project (the "Original Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in an approximately 17-acre parcel of vacant land located on the west side of NYS Route 17M (north of the intersection of NYS Route 17M and Gilbert Street) in the Village and Town of Monroe, Orange County, New York (the "Land", being more particularly described as TMID No. 238-1-1), (ii) the construction on the Land of an approximately 128,000 square foot four-story building and related improvements to be used by the Company as a medical office (the "Original Improvements"); and (iii) the acquisition and installation in and around the Original Improvements of certain items of equipment and other tangible personal property including, but not limited to, office furniture, HVAC system, plumbing and electrical fixtures, back-up generators, elevators, MRI Machine, CT scanner, X-Ray machines and laboratory equipment; and

WHEREAS, by resolutions adopted on August 15, 2012 (the "Initial Resolution") and October 17, 2012 (the "Final Resolution"), the Agency authorized financial assistance to the Company in the form of a partial abatement of real property taxes, sales and use tax exemptions for purchases and rentals related to the acquisition, construction and equipping of the Project, and, if necessary, a mortgage recording tax exemption for the financing related to the Project (collectively, the "Financial Assistance"); and

WHEREAS, following the adoption of the Final Resolution and pursuant to correspondence from the Company to the Agency, the Company informed the Agency that the scope of the Original Project has changed (the "Project") such that the Original Improvements previously contemplated will now consist of the construction on the Land of an approximately 70,000 square foot two-story building and related improvements to be used by the Company as a medical office (the "Improvements" and, together with the Land and the Improvements, the "Facility"); and

WHEREAS, the Company further informed the Agency that (i) the value of goods and services relating to the Project that will be subject to New York State and local sales and use tax will be in an amount of up to \$15,555,992 (such amount being an increase of \$1,518,493 from the previous estimate of \$14,037,499), which will result in New York State and local sales and use tax exemption benefits not to exceed \$1,263,925 (such amount being an increase of \$123,925 from the previous estimate of \$1,140,000), and (ii) as a result of delayed construction, commencement of benefits under the PILOT Agreement need to be delayed; and

WHEREAS, the Agency desires to adopt a resolution (i) authorizing the Company to make purchases of goods and services relating the Project in amount of up to \$15,555,992, which will result in local sales and use tax exemption benefits not to exceed \$1,263,925, (ii) ratifying and confirming the findings made by the Agency in the Resolutions previous adopted, and (iii) authorizing the execution and delivery of all necessary amendatory and related documents, including an amendment to the PILOT to delay benefits conferred thereunder.

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

Section 1. Based upon representations and warranties made by the Company, the Agency hereby authorizes and approves the Company, as its 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 \$15,555,992, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$1,263,925. The Agency agrees to consider any requests by the Company for 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. Pursuant to Section 875(3) of the New York General Municipal Law, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors,

or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project. As a condition precedent of receiving sales and use tax exemption benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, shall (i) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 2. Unless amended by the terms hereof, Agency hereby ratifies, confirms and reaffirms the findings made in the Initial Resolution and Final Resolution.

Section 3. The Chairman, Vice Chairman and Executive Director of the Agency are hereby authorized to execute and deliver all documents necessary and incidental to the foregoing modifications, including, but not limited to, amendments to the Lease Agreement, Leaseback Agreement, PILOT Agreement and related documents.

Section 4. 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 5. 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>
Robert T. Armistead	✓			
Mary Ellen Rogulski	✓			
Stephen Brescia	✓			
John Steinberg, Jr.	✓			
Henry VanLeeuwen			✓	
Robert J. Schreibeis, Sr.	✓			
Edward A. Diana	✓			

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF ORANGE) ss:

I, the undersigned Secretary of the Orange County Industrial Development Agency, DO
HEREBY CERTIFY:

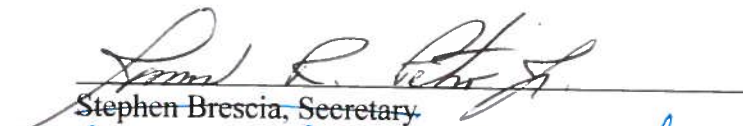
That I have compared the foregoing extract of the minutes of the meeting of the Orange County Industrial Development Agency (the "Agency") including the resolution contained therein, held on the 14th day of May, 2015, with the original thereof on file in my office, and that the same is a true and correct 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.

14th IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this
day of May, 2015.


~~Stephen Brescia, Secretary~~
James K. Petru, Jr. Acting Secretary