

Board Member Michael Karlsson offered the following resolution and moved its adoption:

RESOLUTION 10-25-18-01

RESOLUTION OF THE PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY DATED OCTOBER 4, 2018, APPROVING THE AHANA HOSPITALITY, LLC HOTEL PROJECT STRAIGHT-LEASE TRANSACTION

WHEREAS, the Putnam County Industrial Development Agency (the “Agency”) is authorized under the laws of the State of New York, and in particular under the provisions of the New York State Industrial Development Agency Act, and Chapter 399 of the 1987 Laws of the State of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commerce and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, AHANA HOSPITALITY, LLC (“Ahana”), has submitted an application (the “Application”) to the Agency, requesting the Agency’s assistance with a certain project (the “Project”) in the form of (i) exemption from sales tax, ii) exemption from mortgage tax, and iii) payment for exemption from real property taxes (“PILOT”) related to the undertaking of the Project located at 7-11 Peach Lake Road, Brewster, New York 10509. The Project includes the completion of a 57-room branded hotel on 12.4 acres, which is approximately 70% complete, and as more thoroughly described within the Application; and

WHEREAS, the Project, during the term of the agreement, will generate jobs with payroll and expenses to approximate \$2,554,760.00 and with healthcare valued at \$192,000.000. Ahana will annually report to the Agency, enumerating the full time equivalent jobs retained and the full time equivalent jobs created, including full time equivalent independent contractors or employees of independent contractors that work on/at the Project, while also including annual reports of salary and fringe benefits for each job created; and

WHEREAS, the Agency has evaluated the project based on its adopted criteria of material factors, and found that the Ahana Project is an eligible project as it has secured private financing to complete the project in a timely manner, will provide new revenue to local and state taxing agencies, has received local support, will create 8-12 permanent jobs, and will serve and bring visitors to the County; and

WHEREAS, the Project will result in the collection of sales taxes for the County and State estimated at \$124,583.00 annually; the PILOT payments over the period of ten years

will increase payments totaling \$433,933.00, to the Town of Southeast, Brewster Central School District, and the County, determined by the Cost Benefit Analysis (attached hereto as “Exhibit A”); and

WHEREAS, Ahana provided an analysis detailing the feasibility and benefits of the project which will result in the completion of the terminated Fox Ridge Hotel project, and the Agency conducted a cost benefit review; and

WHEREAS, by resolution adopted September 10, 2018, (the “Inducement Resolution”), the Agency (i) accepted the application of Ahana with respect to the Project, ii) authorized the scheduling and notice of a public hearing (the “Public Hearing”) with respect to the Project, and iii) described the forms of financial assistance (the “Financial Assistance, as more fully described herein) being contemplated by the Agency with respect to the Project; and

WHEREAS, pursuant to the Inducement Resolution, the Agency duly scheduled, noticed, and conducted the Public Hearing at 10:00 AM on October 2, 2018 at the Town of Southeast Town Hall, 1360 Route 22, Brewster, New York 10509, where all interested persons were afforded a reasonable opportunity to present their views, either orally or in writing, on the nature of the Project and the proposed Financial Assistance to be afforded to Ahana in connection with the Project (a copy of the Minutes of Public Hearing, proof of publication and delivery of Notice of Public Hearing being attached hereto as Exhibit B); and

WHEREAS, in order to finance a portion of the costs of the Project, Savoy Bank (such financial institution, or any other financial institution as may be approved by a certificate of determination of an Agency officer, the “Lender”) is expected to enter into a loan arrangement with Ahana, pursuant to which the Lender will lend \$4,320,000.00 to Ahana, and the Agency and/or the Company will grant one or more mortgages on the Project to the Lender; and

WHEREAS, the Project is the reconstruction of an existing building and resumption of a prior use which was specifically authorized by Stipulation of Settlement entered into between Fox Ridge Motor Inn, Inc., and the Town of Southeast and so ordered by the Westchester County Supreme Court dated September 17, 2013, Index No. 267/2010 and is exempt from the requirements of the State Environmental Quality Review Act (“SEQRA”); and

WHEREAS, the documents implementing the straight-lease transaction for the Project will be prepared in a manner consistent with documents for similar projects of the Agency; and

WHEREAS, the Agency proposed to provide financial assistance in connection with the Project in the form of real estate tax abatements, and sales and mortgage recording tax exemptions, all pursuant to the Act, through a straight-lease transaction;

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

Section 1. The Agency hereby determines that (i) the Project is authorized by the Act, (ii) the Project constitutes a “project” within the meaning of the Act and will be in furtherance of the policy of the State of New York, (iii) there will be no loss of jobs in the County as a result of the Agency providing financial assistance to the Project, and iv) the Project will provide additional jobs within the County.

Section 2. To accomplish the purposed of the Act and to provide financial assistance to Ahana in connection with the Project, a straight-lease transaction for the Project is hereby authorized subject to the provisions of this Resolution and to the project agreements hereinafter authorized.

Section 3. In connection with the Project, the execution and delivery of (i) the lease agreement (the “Lease Agreement”) between the Agency and Ahana, (ii) a Payment in Lieu of Taxes Agreement (the “PILOT Agreement”) between the Agency and Ahana with respect to the Project, (iii) one or more mortgages in favor of the Lender, (iv) a Sales Tax Exemption Agreement between the Agency and Ahana, (v) an amendment to the PILOT Mortgage between the Agency, Ahana, and the municipalities; and (vi) such additional papers, instruments, opinions, certificates, affidavits and other documents reasonable or necessary to carry out the purposes of this Resolution or the agreements referred to herein (each of the foregoing in items (i) through (vi) being referred to herein as the “Project Closing Documents”) are hereby authorized. (The PILOT Agreement is attached hereto as **Exhibit C.**) Any Authorized Representative (as hereinafter defined) is hereby authorized to execute, acknowledge and deliver each such Project Closing Document, if required, and attest the same. The execution and delivery of each such agreement by one of said Authorized Representatives in substantially the form used in similar straight-lease transactions, with such changes, insertions and omissions as may be approved by the Authorized Representative shall be conclusive evidence of due authorization and approval.

Section 4. In connection with the Project, the Agency intends to grant Ahana real property tax abatements, sales and mortgage tax abatements.

Section 5. The Agency hereby authorizes Ahana to proceed with the Project as herein authorized. Ahana is authorized to proceed with the Project on behalf of the Agency as set

forth in this Resolution; provided, however, that it is acknowledged and agreed by Ahana that (i) nominal fee or leasehold title to or other interest of the Agency in the Project shall be in the Agency for purposes of granting financial assistance, and (ii) Ahana is hereby constituted the agents for the Agency solely for the purpose of effecting the Project, and the Agency shall have no personal liability for any such action taken by Ahana for such purpose.

Section 6. Any expenses incurred by the Agency with respect to the Project (including the fees of its project counsel) shall be paid by Ahana. By acceptance hereof, Ahana agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expense or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to this project.

Section 7. Either one of the Chair and Vice-Chair of the Agency (as used in this Resolution, an "Authorized Representative") is hereby designated an authorized representative of the Agency and is hereby authorized to execute and deliver the Project Closing Documents. The Authorized Representatives are hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and any other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by this Agency herein. The Agency hereby authorizes the Authorized Representative to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer. The members, officers, representatives and agents of the Agency are hereby authorized and directed to take all actions deemed appropriate to assist Ahana in commencing and carrying out the project.

Section 8. All covenants, stipulations, obligations and agreements contained in this Resolution and the Project Closing Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the fullest extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time and upon any board or body to which any powers or duties, affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Agency by the provisions of this Resolution and the Project Closing Documents shall be exercised or performed by the Agency or by its members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

Section 9. No covenant, stipulation, obligation or agreement contained in this Resolution or the Project Closing Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency or the County in his individual capacity and neither the members of the Agency nor any officer executing the foregoing agreements shall be liable personally on the Project Closing Documents or be subject to any persona liability or accountability by reason thereof.

Section 10. In adopting this Resolution, notwithstanding any other provision hereof, the Agency assumes no responsibility for obtaining or assisting Ahana in obtaining financing for the Project. This resolution is not a contract between the Agency and Ahana and shall not be construed as such.

Section 11. This Resolution may be deemed by the Agency to have expired at any time after twelve (12) months from the date hereof, unless (a) extended by Ahana with the consent of the Agency and by the payment of any Agency fees therefore, or, (b) the financing has been consummated or closed. Any extension or renewal will be for an additional twelve (12) months.

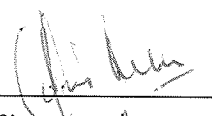
Section 12. No further action is required to be taken by the Agency to implement the transaction contemplated hereby.

Section 14. This Resolution shall take effect immediately upon its passage.

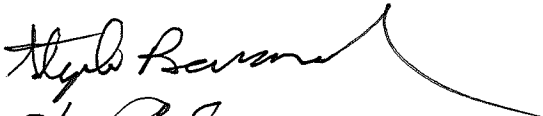




Section 15. The Agency reserves the right to recapture benefits pursuant to the Act. The Agency has promulgated rules regarding recapture titled, Recapture Policy and Procedures (the "Recapture Policy.") By this resolution, the Project is subject to Material Factor Monitoring as set forth in the Recapture Policy. The Recapture Policy is attached hereto as **Exhibit D.**

Accepted: October 25, 2018

RECEIVED AND ACKNOWLEDGED:
Ahana Hospitality, LLC

By: 
Name: ANITA MEHRA
Title: MANAGING MEMBER

A motion to adopt the foregoing resolution was made by Michael Karlsson,
was seconded by Ed Cooke, and duly put to a vote on roll call, which resulted as
follows:

Board Member Baranowski:	Aye	
Board Member Cooke:	Aye	
Board Member Downey:	Aye	
Board Member Hawes:	Absent	
Board Member Karlsson:	Aye	
Chairman Nulk:	Aye	

The resolution was declared adopted.

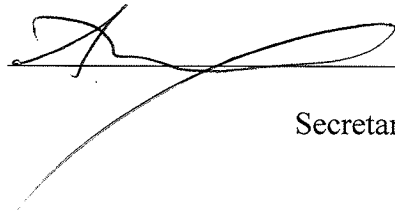
DISTRICT CLERK'S CERTIFICATE

Joseph Downey

, being the duly appointed and acting Secretary of the Putnam County Industrial Development Agency, New York, HEREBY CERTIFY that the foregoing resolution of a meeting of the Members of the Putnam County Industrial Development Agency duly called and held on October 25, 2018, has been compared by me with the original minutes as officially recorded in my office in the Minute Book of said Board is a true, complete and correct copy thereof and of the whole of said original minutes so far as the same related to the subject matters referred to in said extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said District this 25 day of October, 2018.

(SEAL)


Secretary