

RESOLUTION NO. 2026-3-24-2

PUTNAM COUNTY INDUSTRIAL DEVELOPMENT AGENCY

**INDUCEMENT RESOLUTION
REGARDING THE
THE APAP LAND MANAGEMENT LLC PROJECT**

WHEREAS, the New York State Industrial Development Agency Act, constituting Title I of Article 18-A of the General Municipal Law of the State of New York, as amended (the "Enabling Act"), authorizes and provides for the creation of industrial development agencies in the several counties, cities, villages and towns in the State of New York and empowers such agencies to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish one or more projects for the purpose of promoting, developing, encouraging and assisting in the acquisition, construction, reconstruction, improvement, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, thereby advancing the job opportunities, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, APAP LAND MANAGEMENT LLC (the "Company") has entered into negotiations with officials of the Agency requesting financial assistance in the form of sales tax exemption, mortgage tax exemption, property tax relief and corresponding PILOT payment for real property taxes and tax exempt financing, in connection with the acquisition, construction, renovation, furnishing and equipping of a facility located on an approximately 1.71+/- acre parcel of land at 1912 Route 22, in the Town of Southeast, County of Putnam, State of New York, for a shop/warehouse and office for lease to the Agency by the Company and for sublease by the Agency to the Company, and having an approximate total project cost of \$3,510,000 (the "Project"), as more fully described in the Application prepared by the applicant dated March 3, 2026; and

WHEREAS, the Application provides that the Project will both create local construction jobs and up to 75 permanent jobs at the facility, approximately 75 of which will be full time and approximately 0 of which shall be part-time and approximately 19 will be from the Labor Market Area; and

WHEREAS, the Applicant has also requested exemptions from sales tax on materials and equipment purchased and/or leased for development of the Project, and on mortgage recording tax to the extent available under applicable law; and

WHEREAS, the Planning Board of the Town of Southeast (the "Planning Board"), as lead agency, has issued its determination pursuant to the State Environmental Quality Review Act ("SEQRA") (Article 8 of the Environmental Conservation Law) and implementing

regulations contained in 6 N.Y.C.R.R. Part 617, that the Project is an Unlisted Action and that the Project will not have a significant effect on the environment and has adopted on November 24, 2025, a Negative Declaration (the "Negative Declaration") to such effect; and

WHEREAS, based upon the Application, the Agency hereby determines that Agency financial assistance and related benefits in the form of a Straight-Lease Transaction between the Agency and the Applicant is necessary to induce the Applicant to proceed with the Project; and

WHEREAS, in order to provide financial assistance to the Applicant for the Project, the Agency intends to grant the Applicant financial assistance through a Straight-Lease Transaction in the form of real property tax abatements and exemptions, and sales tax exemptions and exemptions on mortgage recording tax to the extent available under applicable law, all pursuant to the Act;

NOW, THEREFORE, be it resolved by the members of the Putnam County Industrial Development Agency as follows:

Section 1. Qualification of the Project. The Agency, based on the representations of the Company, determines that:

(a) by virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Agency has the authority to take the actions contemplated herein; and

(c) the Project will result in capital investment in the County, create construction jobs and maintain existing jobs within Putnam County (the "County"), and advance the job opportunities, health, general prosperity, and economic welfare of the people of the County and improve their prosperity and standard of living and that, with respect to the Project, the Agency is carrying out the purposes for which it was created; and

(d) the Project constitutes a “project” within the meaning of the Act and the Project and the provision by the Agency of financial assistance to the Applicant pursuant to the Act in the form of a Straight-Lease Transaction will promote and is authorized by and will be in furtherance of the policy of the State of New York as set forth in the Act and hereby authorizes the Applicant to proceed with the Project;

(e) the Project shall not result in the removal of any facility or plant of the Applicant or any other occupant or user of the Project from outside of the County (but within the State of New York) to within the County or in the abandonment of one or more facilities or plants

of the Applicant or any other occupant or user of the Project located within the State of New York (but outside of the County); and

(f) to the extent the completion of the Project will result in the removal of an industrial, manufacturing, warehousing or commercial plant or facility of the Company from one area of the State to another area of the State or in the abandonment of one or more of the plants or facilities of the Company within the State, the financing and completion of the Project is reasonably necessary to discourage the Company from removing its operations at existing plants and facilities in the State to a location outside the State and is reasonably necessary to preserve the competitive position of the Company in its industry.

(g) the financing will induce the location or expansion of the Project in the area it will serve, and the economic feasibility of the Project will be seriously and substantially impaired without the availability of financing.

(h) no funds of the Agency shall be used in connection with the Project or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York; and

(i) not more than one-third of the total Project cost is with respect to facilities or property, primarily used in making retail sales of goods or services to customers who personally visit such facilities within the meaning of Section 862 of the New York General Municipal Law.

Section 2. SEQRA. The Agency hereby finds and determines that this Resolution constitutes a determination of technical requirements within the meaning of Section 617.5(c)(28) of the DEC Regulations, and does not constitute, and shall not be deemed to constitute, either an approval by the Agency of the Project for purposes of SEQRA or a commitment by the Agency to provide the financial assistance.

The Agency will work with the Company and its experts with respect to environmental matters at the Project Site, the approval of this resolution being subject to confirmation by the Company that it has obtained and is in compliance with all federal, State and local environmental, health and safety permits, and the resolution of any environmental issues to the satisfaction of Agency Counsel by provision of additional reports, certificates and/or establishment of reserves or escrows concerning any environmental issues at the Project Site.

Section 3. Authorization to Proceed. The Company is authorized to undertake and complete the Project. Any action heretofore taken by the Company initiating the Project is hereby ratified, confirmed and approved.

Section 4. Agency Assistance of Company. The members, representatives and agents of the Agency are hereby authorized and directed to take all actions deemed appropriate to assist the Company in commencing and carrying out the Project and to provide an abatement of real property taxes through a payment in lieu of taxes arrangement.

Section 5. No Recourse or Personal Liability. No provision of this Resolution or any other related document shall constitute or give rise to a charge upon the general credit of the Agency or impose upon the Agency a pecuniary liability. No recourse shall be had for the performance of any obligation in connection therewith against any member, representative, employee or agent of the Agency, nor is or shall any such person become personally liable for any such payment or performance.

Section 6. Public Hearing. The Agency is hereby authorized to conduct a public hearing and will call a public hearing with respect to the Project subsequent to the adoption hereof in accordance with Section 859-a of the General Municipal Law of the State of New York. No Financial Assistance of the Agency shall be granted to or on behalf of the Company hereunder until a public hearing regarding the Project shall be held by the Agency in accordance with Section 859-a of the General Municipal Law of the State of New York and, if applicable, Section 147(f) of the General Revenue Code of 1986, and notice of such hearing is provided to the chief executive officer of each affected jurisdiction where the Project is located. The time, date and specific place of the public hearing shall be determined by the Chairman of the Agency in accordance with Section 859-a of the General Municipal Law of the State of New York.

Section 7. Fees and Expenses of Agency. Any expense incurred by the Agency with respect to the Project and the financing thereof shall be paid by the Company. By acceptance hereof, the Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, representatives, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency with respect to the Project and the financing thereof. Within ten days following the adoption of this Resolution, the Company shall deliver to the Agency a certified or official bank check (or a federal funds wire transfer) in the amount of \$10,000.00, which amount shall be deposited by the Agency in a special account (the "Apap Land Management LLC Project Expense Account") separate and apart from all other funds of the Agency.

Amounts in the Apap Land Management LLC Project Expense Account shall be applied by the Agency to pay expenses of the Agency relating to the Project, including fees and expenses of the Agency's outside counsel, Hogan, Rossi & Liguori, pursuant to a Retainer Agreement dated March 13, 2026. All interest on such deposit shall be credited to said account. If the balance in the Apap Project Expense Account is depleted, , the Agency may direct the Applicant to deliver additional funds to the Agency in increments of \$5,000.00 for deposit in

said account, sufficient to cover anticipated costs of the Agency and the payments required pursuant to the Retainer Agreement, and the Applicant shall deliver such additional funds to the Agency within ten days following the Agency's direction. The Agency shall not be required to incur any costs in furtherance of the Project if the Apap Project Expense Account is not funded or replenished in accordance with this Section. If this Resolution expires in accordance with Section 1 hereof or the Project is otherwise abandoned or terminated, and there are remaining unpaid fees or expenses of the Agency relating to the Project, the Agency shall apply funds on deposit in the Apap Project Expense Account to meet such fees and expenses and, to the extent of any excess in such account, pay any balance to the Company.

Section 8. Open Meeting. All formal actions of the Agency concerning and relating to the adoption of this resolution were adopted in an open meeting of the Agency, and all formal deliberations of the Agency and of any of its hearings that resulted in such formal action were held in meetings open to the public, in compliance with all legal requirements.

Section 9. No Representations or Warranties. The Agency has made and makes no representation or warranty whatsoever, either express or implied, with respect to the merchantability, condition, environmental status, fitness, design, operation or workmanship of any part of the Project, its fitness for any particular purpose, the quality or capacity of the materials in the Project, or the suitability of the Project for the Applicant's purposes or needs. The Agency shall not be liable in any manner whatsoever to anyone for any loss, damage or expense of any kind or nature caused, directly or indirectly, by the Project property or the use or maintenance thereof or the failure of operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused, and the Applicant, by acceptance hereof, agrees to indemnify and hold the Agency and each member, representative, agent and employee thereof harmless from any such loss, damage or expense.

Section 10. Compliance With Laws. Any undertaking of the Agency set forth herein is expressly conditioned upon full compliance of the Company and the Project with all applicable laws, rules and regulations, and the Company shall be required to provide satisfactory evidence of the same to the Agency prior to the execution of any document in connection with the Project.

Section 11. Conditions. The undertakings of the Agency set forth herein are subject to and conditioned upon (a) full compliance with the SEQRA, (b) publication of notice and holding of a public hearing with respect to the Project and the proposed financial assistance as required by the Act, (c) execution by the Company of a Payment in Lieu of Taxes Agreement and provision of satisfactory security for payments due thereunder, (d) execution by the Company of Agency documents to effectuate the Straight Lease Transactions and financial assistance in connection with the Project, and (e) provision of full indemnities by an entity in form and substance acceptable to the Agency.

Section 12. Effect of Resolution. In adopting this Resolution, notwithstanding any other provision hereof, the Agency assumes no responsibility for obtaining or assisting the Company in obtaining financing for the Project. This Resolution is not a contract between the Agency and the Company and it shall not be construed as such.

Section 13. Expiration Date. 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 the Company with the consent of the Agency and by payment of the Agency's extension fee of \$750.00, or (b) the financing has been committed or closed. Any extension or renewal will be for an additional twelve (12) month period.

Section 14. Appointment of Agency Counsel. The law firm of Hogan, Rossi & Liguori are hereby directed to commence work as Agency Counsel with respect to the transaction.

Section 15. Agency Authorized. 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 16. Effective Date. The resolution shall take effect immediately upon its passage.

March 24, 2026
MEETING DATE

MOTION TO APPROVE RESOLUTION No. 2026-3-24-2

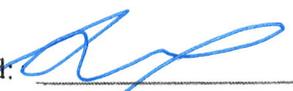
Motion: Ed Cooke ; Second: Joe Downey

Vote on Resolution:

<u>Board Member</u>	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
William Nulk	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Edward Cooke	<input checked="" type="checkbox"/>	_____	_____	_____
Joseph Downey	<input checked="" type="checkbox"/>	_____	_____	_____
Michael Karlsson	<input type="checkbox"/>	_____	_____	_____
Abigail O'Brien	<input type="checkbox"/>	_____	_____	_____
Simon Carey	<input checked="" type="checkbox"/>	_____	_____	_____
James Hartford	<input checked="" type="checkbox"/>	_____	_____	_____

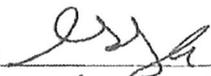
Result of Vote: Motion Passed

Attested: , Chairman 
 William H. Nulle
 Joseph Downey

By accepting this Resolution Apap Land Management LLC agree to the terms and conditions set forth herein.

Accepted: March 24, 2026

APAP LAND MANAGEMENT GROUP LLC

By: 
 Name: George Apap
 Title: Sole member/manager