

## RESOLUTION

A meeting of the Sullivan County Resort Facilities Local Development Corporation ("SCRFLDC") was convened in public session at the Sullivan County Government Center, 100 North Street, Monticello, New York on August 11, 2025 at 9:00 a.m. local time.

The meeting was called to order by Chairman Howard Siegel, and, upon roll being called, the following members of SCRFLDC were:

	<u>PRESENT</u>	<u>ABSENT</u>	<u>VIDEO</u>
Howard Siegel	[ √ ]	[   ]	[   ]
Kathleen Lara	[ √ ]	[   ]	[   ]
Philip Vallone	[   ]	[   ]	[ √ ]
Scott Smith	[ √ ]	[   ]	[   ]
Paul Guenther	[   ]	[   ]	[ √ ]
Sean Brooks	[ √ ]	[   ]	[   ]
Ira Steingart	[ √ ]	[   ]	[   ]
Joseph Perrello <sup>1</sup>	[   ]	[ √ ]	[   ]
Edward T. Sykes	[ √ ]	[   ]	[   ]

The following persons were also present:

Jennifer M. Flad, Executive Director

Ira Steingart, Chief Executive Officer

Julio Garaicoechea, Project Manager

Bethanii Padu, Economic Development Coordinator

Walter F. Garigliano, General Counsel

Shawn M. Griffin, Bond Counsel

The following resolution was duly offered by Joseph Perrello, and seconded by Sean Brooks, to wit:

Resolution No. 05 - 25

*RESOLUTION AUTHORIZING ESTABLISHMENT  
OF A GENERAL ASSESSMENT DISTRICT*

*WHEREAS*, pursuant to Section 1411 of the Not-for-Profit Corporation Law ("N-PCL") of the State of New York (the "State"), as amended (hereinafter collectively referred to as the "Act"), and pursuant to its Certificate of Incorporation filed on April 25, 2025 (the "Certificate"), SCRFLDC was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by

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<sup>1</sup> Arrived after roll call but prior to any resolutions being considered for adoption.

encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

*WHEREAS*, in order to collect funds necessary to promote economic development, the County of Sullivan Industrial Development Agency (“Agency”) intends to establish a General Assessment District described herein by requiring all current property owners in the General Assessment District to execute a General Assessment District Declaration (“Declaration”) thereby encumbering all real property interests within the General Assessment District. The Declaration is intended to be binding upon the current property owners in the General Assessment District and all successors and assigns. The Agency will collect from the property owners in the General Assessment District a contractual tax equivalent (the “General Levy”) to fund payments by the Agency that qualify as a payment contemplated by Treasury Regulations 1.141-4(e) to SCRFLDC under an economic services agreement by and between the Agency and SCRFLDC (“Services Agreement”) to promote economic development within the General Assessment District. By the Declaration, the Agency proposes to establish the General Levy within the General Assessment District to fund payments to SCRFLDC for the economic development services to be provided under the Services Agreement; and

*WHEREAS*, Montreign Operating Company, LLC (“MOC”) has exercised an option to acquire fee title to approximately 185.54 acres of real property located generally at 888 Resorts World Drive, Monticello, County of Sullivan, New York on two (2) tax parcels (the "Casino Parcel") which is comprised of the "Casino Gaming Floor Area" and the "Non-Gaming Resort Area" (the remaining area of the Casino Parcel); and

*WHEREAS*, the casino assets are located within the Casino Gaming Floor Area (“Casino Assets”). The Casino Assets are specifically excluded from the Non-Gaming Resort Assets (as defined herein) being purchased by SCRFLDC pursuant to the PSA. The Casino Assets comprise of all improvements and personal property, on or above the Casino Gaming Floor Area for the operation of the casino business, including, but not limited to the ownership, marketing and management of the slot machines and table games and other gaming related assets, the operation of which is regulated by the New York State Gaming Commission and/or requiring a license pursuant to Gaming Laws, all of which will be retained by MOC and specifically not conveyed to SCRFLDC under the terms and conditions of the PSA; and

*WHEREAS*, the Non-Gaming Resort Area Improvements (as defined herein) are located within the Non-Gaming Resort Area. The Non-Gaming Resort Area Improvements are being purchased by SCRFLDC from MOC pursuant to the PSA. These improvements are comprised of substantially all of the buildings, improvements and personal property located thereon and therein (the "Non-Gaming Resort Area Improvements"); and

*WHEREAS*, MOC has exercised an option to acquire fee title and Empire Resorts Real Estate I, LLC (“ERREI”) is the ground lessee of approximately 215.35 acres of real property located generally at 95 Chalet Road, Monticello, County of Sullivan, New York on a single tax parcel upon which the “Monster” Golf Course is located (the "Golf Course Area"). The Golf Course Area Improvements (as defined herein) are located within the Golf Course Area. The Golf Course Area Improvements are being purchased by SCRFLDC from ERREI pursuant to the PSA.

These improvements are comprised of certain buildings, improvements and personal property located thereon and therein (the "Golf Course Area Improvements"); and

*WHEREAS*, MOC has exercised an option to acquire fee title and Empire Resorts Real Estate I, LLC ("ERREI") is the ground lessee of approximately 19.12 acres of real property located generally at 750 Resorts World Drive, Monticello, County of Sullivan, New York on a single tax parcel (the "EV (Alder Hotel) Area"). The EV (Alder Hotel) Improvements (as defined herein) are located within the EV (Alder Hotel) Area. The EV (Alder Hotel) Improvements are being purchased by SCRFLDC from ERREI pursuant to the PSA. These improvements are comprised of certain buildings, improvements and personal property located thereon and therein (the "EV (Alder Hotel) Improvements" and together with the Non-Gaming Resort Area Improvements and the Golf Course Area Improvements, the "Non-Gaming Resort Improvements"); and

*WHEREAS*, Empire Resorts, Inc., a Delaware corporation ("Empire Resorts") is in the process of acquiring fee title to approximately 1,134.6 acres depicted on the tax map as sixty -two (62) tax parcels that MOC desires to develop (the "Undeveloped Resort Area" which together with the Casino Gaming Floor Area, the Non-Gaming Resort Area, the Golf Course Area and the EV (Alder Hotel) Area will comprise the "General Assessment District"); and

*WHEREAS*, the Agency holds a leasehold interest in the property located in the General Assessment District and is a party to a (i) Leaseback to Company, made as of September 5, 2014 by and among the Agency, Monticello Raceway Management, Inc. and MOC, as amended; (ii) Leaseback to Company, made as of December 22, 2016 by and between the Agency and ERREI, as amended; and (iii) Leaseback to Company, made as of March 1, 2018 by and between the Agency and ERREI, as amended; and (iv) proposes to enter into a Leaseback to Company with Empire Resorts related to the Undeveloped Resort Area (collectively, the "Leaseback Agreements"); and

*WHEREAS*, SCRFLDC intends to acquire a subleasehold interest in the Non-Gaming Resort Area, the Golf Course Area and the EV (Alder Hotel) Area from MOC, ERREI and ERREI, as applicable, for a term of approximately forty (40) years, which term shall exceed the useful life of the Non-Gaming Resort Improvements (such subleasehold interests together with the Non-Gaming Resort Improvements, the "Non-Gaming Resort Assets"); and

*WHEREAS*, in order to fund the acquisition price of the Non-Gaming Resort Assets, SCRFLDC intends to issue its tax-exempt bonds, Series 2025 ("Bonds") pursuant to an Indenture of Trust and Security Agreement, by and between SCRFLDC and U.S. Bank Trust Company, National Association, as trustee; and

*WHEREAS*, pursuant to and during the term of a Services Agreement, the Agency has agreed to pay SCRFLDC for the provision of the economic development services in the General Assessment District; and

*WHEREAS*, in order to promote economic development and relieve the burdens of the government, SCRFLDC intends to acquire the Non-Gaming Resort Improvements as

contemplated by an Agreement of Purchase and Sale, by and among MOC, ERREI, ERREH and SCRFLDC; and

*WHEREAS*, SCRFLDC, as owner of the Non-Gaming Resort Improvements, must join in the execution of the Declaration; and

*WHEREAS*, SCRFLDC desires to authorize its Chairman, Chief Executive Officer and Executive Director (the "Authorized Officers") to negotiate and execute a Declaration to establish a General Assessment District.

*NOW, THEREFORE, BE IT RESOLVED* as follows:

Section 1. The Authorized Officers of SCRFLDC are hereby authorized to negotiate and execute a Declaration pursuant to which property owners and all their successors and assigns in the General Assessment District shall be obligated to pay the General Levy which shall be an encumbrance on the real property in the General Assessment District.

Section 2. The officers, employees and agents of SCRFLDC are hereby authorized and directed for and in the name and on behalf of SCRFLDC 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 SCRFLDC with all of the terms, covenants and provisions of the documents executed for and on behalf of SCRFLDC.

Section 3. These resolutions shall take effect immediately.

The question of the adoption of the foregoing resolutions was duly put to a vote on roll call, which resulted as follows:

Howard Siegel	[ <input checked="" type="checkbox"/> ] Yes	[ <input type="checkbox"/> ] No	[ <input type="checkbox"/> ] Absent	[ <input type="checkbox"/> ] Abstain
Kathleen Lara	[ <input checked="" type="checkbox"/> ] Yes	[ <input type="checkbox"/> ] No	[ <input type="checkbox"/> ] Absent	[ <input type="checkbox"/> ] Abstain
Philip Vallone	[ <input checked="" type="checkbox"/> ] Yes	[ <input type="checkbox"/> ] No	[ <input type="checkbox"/> ] Absent	[ <input type="checkbox"/> ] Abstain
Scott Smith	[ <input checked="" type="checkbox"/> ] Yes	[ <input type="checkbox"/> ] No	[ <input type="checkbox"/> ] Absent	[ <input type="checkbox"/> ] Abstain
Paul Guenther	[ <input checked="" type="checkbox"/> ] Yes	[ <input type="checkbox"/> ] No	[ <input type="checkbox"/> ] Absent	[ <input type="checkbox"/> ] Abstain
Sean Brooks	[ <input checked="" type="checkbox"/> ] Yes	[ <input type="checkbox"/> ] No	[ <input type="checkbox"/> ] Absent	[ <input type="checkbox"/> ] Abstain
Ira Steingart	[ <input checked="" type="checkbox"/> ] Yes	[ <input type="checkbox"/> ] No	[ <input type="checkbox"/> ] Absent	[ <input type="checkbox"/> ] Abstain
Joseph Perrello	[ <input checked="" type="checkbox"/> ] Yes	[ <input type="checkbox"/> ] No	[ <input type="checkbox"/> ] Absent	[ <input type="checkbox"/> ] Abstain
Edward T. Sykes	[ <input checked="" type="checkbox"/> ] Yes	[ <input type="checkbox"/> ] No	[ <input type="checkbox"/> ] Absent	[ <input type="checkbox"/> ] Abstain

The resolutions were thereupon duly adopted.

STATE OF NEW YORK :  
:SS  
COUNTY OF SULLIVAN :

I, the undersigned Secretary of SCRFLDC, DO HEREBY CERTIFY THAT:

1. I have compared the foregoing copy of a resolution of the Sullivan County Resort Facilities Local Development Corporation ("SCRFLDC") with the original thereof on file in the office of SCRFLDC, and that the same is a true and correct copy of such resolution and of the proceedings of SCRFLDC in connection with such matter.
2. Such resolution was passed at a meeting of SCRFLDC duly convened in public session on August 11, 2025 at 9:00 a.m. at the Sullivan County Government Center, 100 North Street, Village of Monticello, Sullivan County, New York, at which the following members were present:

	<u>PRESENT</u>	<u>ABSENT</u>	<u>VIDEO</u>
Howard Siegel	[ <input checked="" type="checkbox"/> ]	[ ]	[ ]
Kathleen Lara	[ <input checked="" type="checkbox"/> ]	[ ]	[ ]
Philip Vallone	[ ]	[ ]	[ <input checked="" type="checkbox"/> ]
Scott Smith	[ <input checked="" type="checkbox"/> ]	[ ]	[ <input checked="" type="checkbox"/> ]
Paul Guenther	[ ]	[ ]	[ <input checked="" type="checkbox"/> ]
Sean Brooks	[ <input checked="" type="checkbox"/> ]	[ ]	[ ]
Ira Steingart	[ <input checked="" type="checkbox"/> ]	[ ]	[ ]
Joseph Perrello	[ <input checked="" type="checkbox"/> ]	[ ]	[ ]
Edward T. Sykes	[ <input checked="" type="checkbox"/> ]	[ ]	[ ]

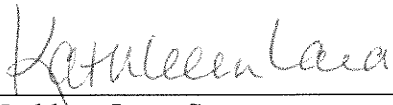
3. The question of the adoption of the foregoing resolution was duly put to a vote on roll call which resulted as follows:

Howard Siegel	[ <input checked="" type="checkbox"/> ] Yes	[ ] No	[ ] Absent	[ ] Abstain
Kathleen Lara	[ <input checked="" type="checkbox"/> ] Yes	[ ] No	[ ] Absent	[ ] Abstain
Philip Vallone	[ <input checked="" type="checkbox"/> ] Yes	[ ] No	[ ] Absent	[ ] Abstain
Scott Smith	[ <input checked="" type="checkbox"/> ] Yes	[ ] No	[ ] Absent	[ ] Abstain
Paul Guenther	[ <input checked="" type="checkbox"/> ] Yes	[ ] No	[ ] Absent	[ ] Abstain
Sean Brooks	[ <input checked="" type="checkbox"/> ] Yes	[ ] No	[ ] Absent	[ ] Abstain
Ira Steingart	[ <input checked="" type="checkbox"/> ] Yes	[ ] No	[ ] Absent	[ ] Abstain
Joseph Perrello	[ <input checked="" type="checkbox"/> ] Yes	[ ] No	[ ] Absent	[ ] Abstain
Edward T. Sykes	[ <input checked="" type="checkbox"/> ] Yes	[ ] No	[ ] Absent	[ ] Abstain

and therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all members of SCRFLDC had due notice of said meeting, (ii) pursuant to Sections 103(a) and 104 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103(a) and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

*IN WITNESS WHEREOF*, I have hereunto set my hand and seal on the 11<sup>th</sup> day of August, 2025.

  
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Kathleen Lara, Secretary