

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 the roll being called, the following members of SCRFLDC were:

	<u>PRESENT</u>	<u>ABSENT</u>
Howard Siegel	[]	[]
Kathleen Lara	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]
Joseph Perrello	[]	[]
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

The following resolution was duly offered by _____, and seconded by _____, to wit:

Resolution No. ____ - 25

*RESOLUTION AUTHORIZING AN AGREEMENT FOR PROVIDING
ECONOMIC DEVELOPMENT SERVICES TO COUNTY OF SULLIVAN
INDUSTRIAL DEVELOPMENT AGENCY ("AGENCY")*

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

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, Montreign Operating Company, LLC, a New York limited liability company (“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 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 ERREII 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") and together with the Non-Gaming Resort Area and the Golf Course Area, the “Land”). 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 ERREII 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, 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 ERREII, 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, SCRFLDC desires to acquire the Non-Gaming Resort Improvements pursuant to the terms of an Agreement of Purchase and Sale, dated September 5, 2025 ("PSA") by and among MOC, Empire Resorts Real Estate I, LLC, a New York limited liability company ("ERREI"), Empire Resorts Real Estate II, LLC, a New York limited liability company ("ERREII") and SCRFLDC, authorized contemporaneously herewith; and

WHEREAS, to finance the purchase of the various assets described in the PSA, 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, the Agency, SCRFLDC, MOC, ERREI, ERREII and Empire Resorts have agreed to establish a General Assessment District requiring all property owners and their successors and assigns in the district to pay a contractual tax equivalent to the Agency to fund payments to SCRFLDC. The Agency has agreed to pay SCRFLDC for the operations, maintenance and capital improvements of the Non-Gaming Resort Improvements by SCRFLDC in furtherance of utilizing such additional public investment to fully develop the General Assessment District and to preserve and maximize jobs and to promote public economic development in the General Assessment District and to otherwise relieve the burdens of government (the "Economic Development Services"). SCRFLDC intends to use the amounts received hereunder for the Approved Uses (as defined herein); 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 ERREII, 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, the Agency has requested that SRFLDC provide services to preserve and maximize jobs and to promote additional development in the General Assessment District and to otherwise relieve the burdens of government; and

WHEREAS, SCRFLDC is willing to provide the requested Economic Development Services; and

WHEREAS, SCRFLDC desires to authorize its Chairman, Chief Executive Officer and Executive Director (the "Authorized Officers") to negotiate, execute, and deliver an Economic Development Services Agreement ("Services Agreement") pursuant to which SCRFLDC shall provide Economic Development Services within the General Assessment District.

NOW, THEREFORE, BE IT RESOLVED as follows:

- Section 1. The Authorized Officers of SCRFLDC are hereby authorized to negotiate, execute, and deliver a Services Agreement pursuant to which SCRFLDC shall provide Economic Development Services to the Agency within the General Assessment District.
- Section 2. The use of funds received by SCRFLDC pursuant to the Services Agreement shall be limited to (i) payment of all operating costs of SCRFLDC; (ii) all costs related to the operation and maintenance of the Non-Gaming Resort Assets in accordance with a management contract by and between SCRFLDC and MOC, (iii) from time to time make capital expenditures with respect to the Non-Gaming Resort Assets and to promote development within the General Assessment District, (iv) maintain the Non-Gaming Resort Assets in good and safe condition, repair, working order and condition, ordinary wear and tear excepted, (v) promptly make all necessary repairs, replacements and renewals to the Non-Gaming Resort Improvements (whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen), (vi) protect the Non-Gaming Resort Assets against deterioration, other than that attributable to ordinary wear and tear and (vii) comply in all material respects with such standards and periodic maintenance inspections as shall be required to enforce warranty and similar claims against any contractors for the Non-Gaming Resort Assets (collectively the "Approved Uses").
- Section 3. The term of the Services Agreement shall be for the period during which SCRFLDC holds a subleasehold interest in the Land and is the owner of the Non-Gaming Resort Improvements.
- Section 4. The Services Agreement shall provide that during the term, the Agency will collect from the property owners in the General Assessment District a contractual tax equivalent to pay all or any portion of the costs due under the Services Agreement, or costs of operation, maintenance and capital improvements in the General Assessment District, if any.
- Section 5. The Services Agreement shall provide that, notwithstanding anything to the contrary contained in the Services Agreement, neither the faith nor credit of the Agency are pledged to the payments thereunder as the Agency's obligations thereunder are limited, special recourse obligations payable solely out of General

Levy, receipt of which constitutes Unassigned Rights of the Agency under the Leaseback Agreements.

Section 6. 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 7. 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	[] Yes	[] No	[] Absent	[] Abstain
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Philip Vallone	[] Yes	[] No	[] Absent	[] Abstain
Scott Smith	[] Yes	[] No	[] Absent	[] Abstain
Paul Guenther	[] Yes	[] No	[] Absent	[] Abstain
Sean Brooks	[] Yes	[] No	[] Absent	[] Abstain
Ira Steingart	[] Yes	[] No	[] Absent	[] Abstain
Joseph Perrello	[] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[] Yes	[] No	[] Absent	[] 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>
Howard Siegel	[]	[]
Kathleen Lara	[]	[]
Philip Vallone	[]	[]
Scott Smith	[]	[]
Paul Guenther	[]	[]
Sean Brooks	[]	[]
Ira Steingart	[]	[]
Joseph Perrello	[]	[]
Edward T. Sykes	[]	[]

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	[] Yes	[] No	[] Absent	[] Abstain
Kathleen Lara	[] Yes	[] No	[] Absent	[] Abstain
Philip Vallone	[] Yes	[] No	[] Absent	[] Abstain
Scott Smith	[] Yes	[] No	[] Absent	[] Abstain
Paul Guenther	[] Yes	[] No	[] Absent	[] Abstain
Sean Brooks	[] Yes	[] No	[] Absent	[] Abstain
Ira Steingart	[] Yes	[] No	[] Absent	[] Abstain
Joseph Perrello	[] Yes	[] No	[] Absent	[] Abstain
Edward T. Sykes	[] 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 11th day of August, 2025.

Kathleen Lara, Secretary