

**PILOT DEVIATION APPROVAL RESOLUTION
GREENBUSH HOTELS II, LLC PROJECT**

A regular meeting of Rensselaer County Industrial Development Agency (the “Agency”) was convened in public session in the 3rd Floor Conference Room at the Quackenbush Building located at 333 Broadway in the City of Troy, Rensselaer County, New York on March 14, 2024 at 4:00 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Justin Law, Esq.	Chairman
Cory Jones	Secretary/Treasurer
Justin Buchanan	Member
Frank Lewandusky	Member
Alyssa Otis	Member

ABSENT:

Matthew Polsinello	Vice Chairman
John H. Clinton, Jr.	Assistant Secretary/Treasurer

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Robert L. Pasinella, Jr.	Executive Director
Robin LaBrake	Assistant to the Executive Director
Peter Kehoe, Esq.	Special Agency Counsel
John E. Sweeney, Esq.	Special Agency Counsel
A. Joseph Scott, III, Esq.	Special Counsel

The following resolution was offered by Frank Lewandusky, seconded by Cory Jones, to wit:

Resolution No. 0324-_____

RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY’S UNIFORM
TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN
LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN
CONNECTION WITH THE PROPOSED GREENBUSH HOTELS II, LLC PROJECT.

WHEREAS, Rensselaer County Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 128 of the 1974 Laws of New York, as amended, constituting Section 903-d of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and

economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in March, 2023, Greenbush Hotels II, LLC, a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) continuing interest in an approximately 2.65 acre parcel of land located at 3 Tech Valley Drive (Tax Map #155.-6-1.222) in the Town of East Greenbush, Rensselaer County, New York (the “Land”), together with the existing 3 story building totaling approximately 57,261 square feet of space located thereon (the “Facility”), (2) the renovation and redevelopment of the Facility and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company as a hotel and small meeting facility and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on April 13, 2023 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on April 28, 2023 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on April 28, 2023 on a public bulletin board located at the Town of East Greenbush Town Hall located at 225 Columbia Turnpike in the Town of East Greenbush, Rensselaer County, New York, and as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on April 29, 2023 in The Record, a newspaper of general circulation available to the residents of Rensselaer County, New York, (D) conducted the Public Hearing on May 9, 2023 at 6:00 o’clock p.m., local time at the East Greenbush Town Hall located at 225 Columbia Turnpike in the Town of East Greenbush, Rensselaer County, New York, (E) prepared a report of the Public Hearing (the “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency and (F) caused a copy of the Certified Public Hearing Resolution to be sent via certified mail, return receipt requested on July 7, 2023 to the chief executive officers of the County and of each city, town, village and school district in which the Project Facility is to be located to comply with the requirements of Section 859-a of the Act; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by a resolution adopted by the members of the Agency on July 13, 2023 (the “SEQR Resolution”), the Agency determined that the Project constituted a “Type II action” (as such quoted term is defined under SEQRA), and therefore that no further action with respect to the Project was required under SEQRA; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency’s uniform tax exemption policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project Facility is located (collectively, the “Affected Tax Jurisdictions”) written notice of the proposed deviation from the Agency’s uniform tax exemption policy and the reasons therefor no fewer than thirty (30) days prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on July 13, 2023, the members of the Agency adopted a resolution (the “Resolution Authorizing the Pilot Deviation Letter”) which authorized the Executive Director to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy in connection with the Project, which proposed deviation is outlined in the letter dated August 14, 2023 (the “Pilot Deviation Letter”), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, by the Pilot Deviation Letter the Executive Director notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

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

Section 1. The Agency hereby finds and determines as follows:

(A) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Letter.

(B) The Agency has reviewed and responded to all written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation.

(C) The Agency has given all representatives from an Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) any comments received at the Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the proposed deviation, (D) the Agency’s knowledge of the Project, (E) the recommendations of Agency staff, and (F) such further investigation of the Project and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from

the Agency's uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Letter. Based upon the aforementioned, the Agency hereby approves a deviation from the Agency's uniform tax exemption policy, the terms of the approved deviation to be as described in the attached Pilot Deviation Letter.

Section 3. Upon preparation by counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this resolution (the "Payment in Lieu of Tax Agreement") and approval of same by the Chairman (or Vice Chairman) of the Agency, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in such form as is approved by the Chairman (or Vice Chairman), the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

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 or provided for by the provisions of the Payment in Lieu of Tax Agreement, and to execute and deliver all such additional 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 resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

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

Justin Law, Esq.	VOTING	YES
Matthew Polsinello	VOTING	ABSENT
Cory Jones	VOTING	YES
John H. Clinton, Jr.	VOTING	ABSENT
Justin Buchanan	VOTING	YES
Frank Lewandusky	VOTING	YES
Alyssa Otis	VOTING	YES

The foregoing Resolution was thereupon declared duly adopted.

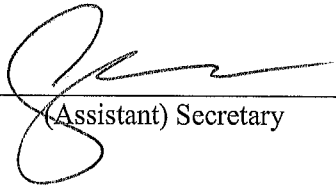
STATE OF NEW YORK)
) SS.:
COUNTY OF RENSSELAER)

I, the undersigned (Assistant) Secretary of Rensselaer County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on March 14, 2024 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 14th day of March, 2024.



(Assistant) Secretary

(SEAL)

EXHIBIT A
PILOT DEVIATION LETTER

- SEE ATTACHED -

RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY
333 Broadway
Quackenbush Building
Troy, New York 12180
Tel: (518) 270-2914
Fax: (518) 270-2981

August 14, 2023

Hon. Steven F. McLaughlin, County Executive
Rensselaer County
99 Troy Road
East Greenbush, New York 12061

Jeffrey P. Simons, Superintendent
East Greenbush Central School District
29 Englewood Avenue
East Greenbush, New York 12061

John Conway, Supervisor
Town of East Greenbush
225 Columbia Turnpike
Rensselaer, New York 12144

Michael Buono, Board President
East Greenbush Central School District
29 Englewood Avenue
East Greenbush, New York 12061

RE: Proposed Deviation from Uniform Tax Exemption Policy by
Rensselaer County Industrial Development Agency
Greenbush Hotels II, LLC Project

Dear Ladies and Gentlemen:

This letter is delivered to you pursuant to Section 874(4)(c) of the General Municipal Law.

In March, 2023, Rensselaer County Industrial Development Agency (the "Agency") received an application (the "Application") from Greenbush Hotels II, LLC (the "Company"), which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to consist of the following: (A) (1) continuing interest in an approximately 2.65 acre parcel of land located at 3 Tech Valley Drive (Tax Map #155.-6-1.222) in the Town of East Greenbush, Rensselaer County, New York (the "Land"), together with the existing 3 story building totaling approximately 57,261 square feet of space located thereon (the "Facility"), (2) the renovation and redevelopment of the Facility and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (the "Equipment") (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be owned and operated by the Company as a hotel and small meeting facility and any other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

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In connection with the Application, the Company has made a request to the Agency enter into a payment in lieu of tax agreement (the "Proposed Pilot Agreement") which terms would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy"). Capitalized terms not otherwise defined herein are defined in the Policy.

The Proposed Pilot Agreement would not provide any abatements for any special assessments levied on the Project Facility. The Proposed Pilot Agreement would be for a term of 15 years with current taxes on the Land and the Facility to be fixed for the first five (5) years, being in the amount of \$231,119.00 and then increasing 2% per year for the remainder of the term of the Proposed Pilot Agreement.

The Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: the Company would have the benefit of a 50% abatement in real property taxes on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") in year one of the payment in lieu of tax agreement with a five percent per year increase over the term of the ten year payment in lieu of tax agreement.

The purpose of this letter is to inform you of such Pilot Request and that the Agency is considering whether to grant the Pilot Request and to approve a Proposed Pilot Agreement conforming to the terms of the Pilot Request. The Agency expects to consider whether to approve the terms of the Proposed Pilot Agreement at its meeting scheduled for October 12, 2023 at 4:00 o'clock p.m., local time at the offices of the Agency located in the 3rd Floor Conference Room of the Quackenbush Building located at 333 Broadway in the City of Troy, Rensselaer County, New York (the "Meeting"). This letter is forwarded to you for purposes of complying with Section 874 of the General Municipal Law of the State of New York, which requires a thirty (30) day notice prior to the Agency taking final action with respect to the Proposed Pilot Agreement (if said Proposed Pilot Agreement may deviate from the provisions of the Agency's Uniform Tax Exemption Policy).

The Agency considered the following factors in considering the proposed deviation:

1. **The nature of the Project:** Full renovation to comply with 2023 brand standards and specifications of a currently operating hotel.
2. **The present use of the property:** The Land is currently used as an upscale Marriott hotel with meeting space.
3. **The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area:** The Property being in excess of fifteen years old is no longer compliant with extended stay hotel brand standards due to its age. The \$3,500,000 investment is needed to bring up to current standards and provide a more compatible location for the local residents and business travelers' needs.
4. **The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs:** twelve full-time jobs will be retained with a salary range of \$75,000 to \$33,000.

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5. The estimated value of new tax exemptions to be provided: Sales tax exemption: \$160,000 and real property tax exemption: \$1,444,793.49.

6. The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions: This large investment will allow us to attract more visitors and tourists to Rensselaer County and generate additional sales and occupancy tax for Rensselaer County.

7. The impact of the Proposed Pilot Agreement on existing and proposed businesses and economic development projects in the vicinity: This facility aligns with Rensselaer County's objective of attracting business and tourism. This will provide a critical mid-price option for the business traveler and allow for leisure groups – social, weddings, youth sports a place to stay while in the area.

8. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement: \$2,075,000 of owner capital will be contributed towards the project with the \$1,425,000 in institutional debt.

9. The effect of the Proposed Pilot Agreement on the environment: None.

10. Project Timing: expected to be completed by December, 2024.

11. The extent to which the Proposed Pilot Agreement will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services: no additional services shall be required.

12. Anticipated tax Revenues: \$315,000.

13. The extent to which the Proposed Pilot Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located: Rensselaer County Industrial Development Agency is the only available economic development option for the location of this property.

The Agency will consider the Proposed Pilot Agreement (and the proposed deviation from the Agency's Uniform Tax Exemption Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption Policy. In accordance with Section 874(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

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If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

Sincerely yours,

/s/ Robert L. Pasinella, Jr.
Robert L. Pasinella, Jr.
Executive Director

cc: Bill Film, Agency Compliance Officer (via e-mail only)
Anthony Maney, Esq. (via e-mail only)
Robin LaBrake, Assistant (via e-mail only)

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