

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR JULY 25, 2017

AGENDA ITEM # 1

TYPE OF RESOLUTION: PLEASE CALL THE MEETING
OF THE TOWN OF ISLIP IDA TO ORDER

COMPANY: N/A

PROJECT LOCATION: N/A

JOBS (RETAINED/CREATED): RETAINED - -
CREATE - -

INVESTMENT: N/A



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

July 25, 2017

Agenda

1. The Meeting of the Town of Islip Industrial Development Agency was **called to order**.
2. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the **minutes** from the meeting on June 20, 2017.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Competition Architectural Metals**. Located at 10-40 Constance Court, Hauppauge, New York. (0500-023000-0200-011006 & 028002).
4. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **M & M Awning & Canvas Inc.** Located at 200 Oval Drive, Islandia, New York. (504-01100-0100-026000).
5. To consider the adoption of an Amended Authorizing Resolution between the Town of Islip and **The Nature's Bounty Co.** Located at 10 Vitamin Drive, Bayport. 35 Vitamin Drive, Bayport. 60 Orville Drive, Bohemia. 90 Orville Drive, Bohemia. 105 Orville Drive, Bohemia. 115 Orville Drive, Bohemia. 815 Grundy Avenue, Holbrook. 2100 Smithtown Avenue, Ronkonkoma and 4320 Veterans Memorial Highway, Holbrook. (0500-26100-0100-028014), (0500-26100-0100-028006), (0500-19100-0200-065000), (0500-19100-0200-061005), (0500-19200-0100-020001), (0500-21400-0100-092518), (0500-175-0200-066000), (0500-10603-0100-005001), (0500-17300-0100-019001).
6. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **108 Hoffman Realty, LLC/Towne Bus Corp.** Located at 108 Hoffman Lane, Islandia. (504-01200-0100-002000).
7. To consider any other business to come before the Agency.

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR JULY 25, 2017

AGENDA ITEM # 2

TYPE OF RESOLUTION: TO APPROVE THE MEETING MINUTES FROM THE JUNE 20, 2017 TOWN BOARD MEETING

COMPANY: N/A

PROJECT LOCATION: N/A

JOBS (RETAINED/CREATED): RETAINED - N/A-
CREATE - N/A-

INVESTMENT: N/A



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

June 20, 2017

Meeting Minutes

1. The Meeting of the Town of Islip Industrial Development Agency was **called to order** on a motion by Councilman Steve Flotteron and seconded by Councilwoman Trish Bergin Weichbrodt.

Members Angie M. Carpenter, Councilwoman Mary Kate Mullen, Councilman John Cochrane, Councilman Steve Flotteron and Councilwoman Trish Bergin Weichbrodt were present and the Chairwoman acknowledged a quorum.

2. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the **Minutes** from the meeting on May 23, 2107. On a motion by Councilwoman Mary Kate Mullen and seconded by Councilman John Cochrane, said motion was approved unanimously.

3. To consider the adoption of a Resolution Authorizing a contract between the Town of Islip Industrial Development Agency and **Executive Consultants of New York** for Islip's Job Search Boot Camp program. On a motion by Councilman John Cochrane and seconded by Councilman Steve Flotteron.

4. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Brightview Sayville, LLC**. Located at 445 Broadway Avenue, Sayville, New York. On a motion by Councilman Steve Flotteron and seconded by Councilman John Cochrane.

5. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Mere Realty Holdings, LLC/M & M Canvas & Awning**. Located at 190-200 Oval Drive, Islandia, New York. On a motion by Councilwoman Mary Kate Mullen and seconded by Councilman Steve Flotteron.

6. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **108 Hoffman Realty, LLC/Towne Bus Corp**. Located at 108 Hoffman Lane, Islandia, New York. On a motion by Councilman Steve Flotteron and seconded by Councilman John Cochrane.

7. To consider an authorization to approve a Refinance Agreement of existing loan documents for **267 Carleton Avenue, LLC/Sinnreich, Kosakoff & Messina, LLP/Esposito, Fuchs, Taormina & Co. 2005 Facility**. Located at 267 Carleton Avenue, Central Islip, New York. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Mary Kate Mullen.

8. To consider an authorization approving a Refinancing Agreement between the Town of Islip Industrial Development Agency and **CU Properties, LLC/Cookies United, LLC 2014 Facility**. Located at 141 Freeman Avenue, Islip, New York. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman John Cochrane.

9. To consider **any other business** to come before the Agency. Meeting adjourned by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman Steve Flotteron.

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR JULY 25, 2017**

AGENDA ITEM # 3

TYPE OF RESOLUTION: INDUCEMENT RESOLUTION

COMPANY: COMPETITION ARCHITECTURAL METALS

**PROJECT LOCATION: 10-40 CONSTANCE COURT,
HAUPPAUGE, NEW YORK**

**JOBS (RETAINED/CREATED): RETAINED - 21-
CREATE - 09-**

INVESTMENT: \$3,965,000.00

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY TAKING OFFICIAL ACTION
TOWARD APPOINTING CONSTANCE COURT
PARTNERS, LLC, A NEW YORK LIMITED LIABILITY
COMPANY, ON BEHALF OF ITSELF AND/OR THE
PRINCIPALS OF CONSTANCE COURT PARTNERS, LLC
AND/OR AN ENTITY FORMED OR TO BE FORMED ON
BEHALF OF ANY OF THE FOREGOING AND
COMPETITION ARCHITECTURAL METALS, INC., A
NEW YORK BUSINESS CORPORATION ON BEHALF OF
ITSELF AND/OR THE PRINCIPALS OF COMPETITION
ARCHITECTURAL METALS, INC. AND/OR AN ENTITY
FORMED OR TO BE FORMED ON BEHALF OF ANY OF
THE FOREGOING, AS AGENT(S) OF THE AGENCY FOR
THE PURPOSE OF ACQUIRING, RENOVATING AND
EQUIPPING THE FACILITY AND MAKING CERTAIN
FINDINGS AND DETERMINATIONS WITH RESPECT TO
THE FACILITY

WHEREAS, Constance Court Partners, LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Constance Court Partners, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) and Competition Architectural Metals, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Competition Architectural Metals, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), have applied to the Town of Islip Industrial Development Agency (the “**Agency**”), to enter into a transaction in which the Agency will assist in (a) the acquisition of an approximately 1.80 acre parcel of land located at 10-40 Constance Court, Hauppauge, New York 11788 (the “**Land**”), the renovation of an existing approximately 26,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility is to be leased by the Agency to the Company and further subleased by the Company to the Sublessee; and (b) the acquisition and installation of certain equipment and personal property, including but not limited to a waterjet machine, power brake, power shears, welding machine, tube benders, hydraulic up-cut saw, and polishing equipment (the “**Equipment**”; and together with the Company Facility, the “**Facility**”), which Equipment is to be leased by the Agency to the Sublessee and which Facility is to be used by the Sublessee as manufacturing and warehouse space in its business of the design, drafting and manufacturing of architectural metal and glass products to be used in the construction industry (the “**Project**”); and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Facility Equipment and Equipment, will sublease and lease the Company Facility to the Company for further sublease to the Sublessee and will lease the Equipment to the Sublessee, all pursuant to Title 1 of Article 18-A of the General Municipal

Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee in connection with the Facility, consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes and abatement of real property taxes, consistent with the policies of the Agency, all to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, as of the date of this resolution, no determination for financial assistance has been made; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, prior to the date of the Hearing (defined below), the Agency will have made a determination for financial assistance; and

WHEREAS, prior to the closing of the transaction described herein, a public hearing (the “**Hearing**”) will be held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility can be heard; and

WHEREAS, notice of the Hearing will be given prior to the closing of the transaction described herein, and such notice (together with proof of publication) will be substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as Exhibit B; and

WHEREAS, while the Company and the Sublessee have represented to the Agency that the approval of the Facility will result in the closure of a plant located at 50 Boening Plaza, Farmingdale, New York and the Agency would otherwise be prohibited from granting benefits pursuant to the provisions of Section 862 of the Act; and

WHEREAS, based upon the representations of the Company and the Sublessee in the Application for financial assistance filed by the Company and the Sublessees with the Agency (the “**Application**”), the closure of the plant is reasonably necessary for the Company and the Sublessee to maintain their competitive position in their respective industries and therefore not subject to the prohibitions contained in Section 862 of the Act; and

WHEREAS, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed financial assistance is either an inducement to the Company and the Sublessee to

maintain the Facility in the Town of Islip or is necessary to maintain the competitive position of the Company and the Sublessee in their respective industries; and

WHEREAS, in accordance with Section 859-a(5)(d) of the Act, the Agency has notified the chief executive officers of the Town of Oyster Bay and Nassau County of the removal of the Company's and/or Sublessee's facility in Oyster Bay, New York and its relocation to the Town of Islip, Suffolk County; and

WHEREAS, the Company and the Sublessee have agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company and the Sublessee.

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "SEQR Act" or "SEQR"), the Agency constitutes a "State Agency"; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company and Sublessee have prepared and submitted to the Agency an Environmental Assessment Form and related documents (the "Questionnaire") with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency.

NOW, THEREFORE, BE IT RESOLVED by the Town of Islip Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. Based upon the Environmental Assessment Form completed by the Company and the Sublessee and reviewed by the Agency and other representations and information furnished by the Company and the Sublessee regarding the Facility, the Agency determines that the action relating to the acquisition, renovation, equipping, and operation of the Facility is an "unlisted" action, as that term is defined in the SEQR Act. The Agency also determines that the action will not have a "significant effect" on the environment, and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman or Executive Director of the Agency or counsel to the Agency.

Section 2. The acquisition, renovation and equipping of the Facility by the Agency, the subleasing and leasing of the Company Facility to the Company for further subleasing to the Sublessee, the leasing of the Equipment to the Sublessee and the provision of financial assistance pursuant to the Act will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Islip and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act, and the same is, therefore, approved.

Section 3. Subject to the provisions of this resolution, the Agency shall (i) acquire, renovate and equip the Facility; (ii) lease and sublease the Company Facility to the Company; and (iii) lease the Equipment to the Sublessee.

Section 4. The Company and the Sublessee hereby agree to comply with Section 875 of the Act. The Company and the Sublessee further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company and the Sublessee as agents of the Agency pursuant to this resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the recapture provisions of the Lease and Project Agreement, dated a date to be determined (the "**Lease Agreement**"), by and between the Company and the Agency, and the Agency Compliance Agreement, dated a date to be determined (the "**Agency Compliance Agreement**"), by and between the Sublessee and the Agency.

Section 5. Counsel to the Agency is authorized and directed to work with Transaction Counsel (Nixon Peabody LLP) to prepare, for submission to the Agency, all documents necessary to affect the transfer of the real estate described in the foregoing resolution.

Section 6. The Chairman, the Executive Director, the Deputy Executive Director and all members of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and the Sublessee, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 7. Any expenses incurred by the Agency with respect to the Facility, including the expenses of Transaction Counsel, shall be paid by the Company and the Sublessee. By acceptance hereof, the Company and the Sublessee agree to pay such expenses and further agree 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 expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

Section 8. This resolution shall take effect immediately.

ADOPTED: July 25, 2017

ACCEPTED: _____ 2017

CONSTANCE COURT PARTNERS, LLC

By: _____
Name:
Title:

COMPETITION ARCHITECTURAL METALS, INC.

By: _____
Name:
Title:

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

I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY THAT:

I have compared the foregoing copy of a resolution of the Town of Islip Industrial Development Agency (the “**Agency**”) with the original thereof on file in the office of the Agency, and the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.

Such resolution was passed at a meeting of the Agency duly convened in public session on July 25, 2017, at Islip Town Hall, 655 Main Street, Islip, New York, at which meeting the following members were:

Present:

Absent:

Also Present:

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

Voting Aye

and, therefore, the resolution was declared duly adopted.

The Application is in substantially the form presented to and approved at such meeting.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), (ii) 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 103a 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 as of July 25, 2017.

Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR JULY 25, 2017

AGENDA ITEM # 4

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: M & M AWNING & CANVAS, INC.

PROJECT LOCATION: 200 OVAL DRIVE, ISLANDIA

JOBS (RETAINED/CREATED): RETAINED - N/A-
CREATE - N/A-

INVESTMENT: \$N/A

Date: July 25, 2017

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York on the 25th day of July, 2017 the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to a certain industrial development facility more particularly described below (Mere Realty Holdings, LLC/ M & M Canvas & Awnings, Inc. 2017 Facility) and the leasing of the facility to Mere Realty Holdings, LLC for further subleasing to M & M Canvas & Awnings, Inc.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF MERE REALTY HOLDINGS, LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF MERE REALTY HOLDINGS, LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING, M & M CANVAS & AWNINGS, INC., A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF M & M CANVAS & AWNINGS, INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING AN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as amended from time to time (collectively, the “**Act**”), the Town of Islip Industrial Development Agency (the “**Agency**”) was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, Mere Realty Holdings, LLC, a limited liability company, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Mere Realty Holdings, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (the “**Company**”), and M & M Canvas & Awnings, Inc., a business corporation, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of M & M Canvas & Awnings, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (the “**Sublessee**”), have applied to the Agency to enter into a transaction in which the Agency will assist in: (a) the acquisition of an approximately 1.18 acre parcel of land (Tax Map #0504-011.00-01.00-026.000) located at 190-200 Oval Drive in Islandia, New York (the “**Land**”), the renovation of an existing approximately 23,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility is to be leased by the Agency to the Company and further subleased by the Company to the Sublessee and (ii) the acquisition and installation of certain equipment and personal property including, but not

limited to equipment and supplies ("**Equipment**"), which Equipment is to be leased by the Agency to the Sublessee (the Company Facility and the Equipment collectively referred to herein as the "**Facility**"), all for use by the Sublessee for its primary use in the manufacture of commercial and residential awnings and canvas products (the "**Project**"), including the following as they relate to the appointment of the Company and the Sublessee as agents of the Agency with respect to the acquisition, renovation and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; and

WHEREAS, the Agency, by resolution duly adopted on June 20, 2017 (the "**Inducement Resolution**"), decided to proceed under the provisions of the Act; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of July 1, 2017 or such other date as the Chairman, the Executive Director or the Deputy Executive Director of the Agency and counsel to the Agency shall agree (the "**Company Lease**"), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the Facility Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the "**Bill of Sale**"), from the Company to the Agency; and

WHEREAS, the Agency will sublease and lease the Company Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of July 1, 2017 or such other date as the Chairman, the Executive Director or the Deputy Executive Director of the Agency and counsel to the Agency shall agree (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Agency will acquire title to the Equipment pursuant to a certain Equipment Bill of Sale (the "**Equipment Bill of Sale**"), from the Sublessee to the Agency; and

WHEREAS, the Agency will lease the Equipment to the Sublessee pursuant to a certain Equipment Lease Agreement, dated as of July 1, 2017 or such other date as the Chairman, the Executive Director or the Deputy Executive Director of the Agency and counsel to the Agency shall agree (the "**Equipment Lease Agreement**"), by and between the Agency and the Sublessee; and

WHEREAS, in connection with the subleasing of the Company Facility to the Sublessee, the Sublessee and the Agency will enter into a certain Agency Compliance Agreement, dated as of July 1, 2017 or such other date as the Chairman, the Executive

Director, or the Deputy Executive Director of the Agency and counsel to the Agency shall agree (the “**Agency Compliance Agreement**”), whereby the Sublessee will provide certain assurances to the Agency with respect to the Facility; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee, in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$2,725,000 but not to exceed \$3,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$22,856, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency; and

WHEREAS, as security for a loan or loans (as such term is defined in the Lease Agreement), the Agency and the Company will execute and deliver to a lender or lenders not yet determined (collectively, the “**Lender**”), a mortgage or mortgages, and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required by the Lender, to be dated a date to be determined, in connection with the financing, any refinancing or permanent financing of the costs of the acquisition, renovation and equipping of the Facility (collectively, the “**Loan Documents**”); and

WHEREAS, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed transaction is necessary to maintain the competitive position of the Company and the Sublessee in their respective industries; and

WHEREAS, the Company and the Sublessee have agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company and the Sublessee.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(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 Facility constitutes a “project”, as such term is defined in the Act; and

(c) The acquisition, renovation and equipping of the Company Facility, the leasing of the Company Facility to the Company, the subleasing of the Company Facility by the Company to the Sublessee, the acquisition and installation of the Equipment, and the leasing of the Equipment to the Sublessee will promote and maintain the job opportunities,

health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.

(d) The acquisition, renovation and equipping of the Facility by the Agency is reasonably necessary to induce the Company and the Sublessee to maintain and expand their respective business operations in the State of New York.

(e) Based upon representations of the Company, the Sublessee and counsel to the Company and the Sublessee, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip and all regional and local land use plans for the area in which the Facility is located.

(f) It is desirable and in the public interest for the Agency to lease the Company Facility to the Company and the Equipment to the Sublessee; and

(g) The Company Lease will be an effective instrument whereby the Agency leases the Land and the Improvements from the Company; and

(h) The Lease Agreement will be an effective instrument whereby the Agency leases and subleases the Company Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company; and

(i) The Equipment Lease Agreement will be an effective instrument whereby the Agency leases the Equipment to the Sublessee; and

(j) The Agency Compliance Agreement will be an effective instrument whereby the Sublessee will provide certain assurances to the Agency with respect to the Facility; and

(k) The Loan Documents to which the Agency is a party will be effective instruments whereby the Agency and the Company agree to secure the loan made to the Company by the Lender.

Section 2. The Agency has assessed all material information included in connection with the Company's and Sublessee's application for financial assistance, including but not limited to, the cost-benefit analysis prepared by the Agency and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company and the Sublessee.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sublease and lease the Company Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) lease the Equipment to the Sublessee pursuant to the Equipment Lease Agreement, (vi) execute, deliver and perform the Equipment Lease Agreement, (vii)

execute and deliver the Agency Compliance Agreement, (viii) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (ix) execute and deliver the Loan Documents to which the Agency is a party.

Section 4. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement, and the personal property described in Exhibit A to the Equipment Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 5. The Agency is hereby authorized to acquire the Facility and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, renovating and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company and the Sublessee in connection with the acquisition, renovation and equipping of the Facility in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$2,725,000 but not to exceed \$3,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$22,856, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency.

Section 7. Subject to the provisions of this resolution, the Company and the Sublessee are herewith and hereby appointed the agents of the Agency to acquire, renovate and equip the Facility. The Company and the Sublessee are hereby empowered to delegate their respective status as agent of the Agency to their respective agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company and the Sublessee may choose in order to acquire, renovate and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company and the Sublessee as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company and the Sublessee, as agents of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the Facility. This agency appointment expressly excludes the purchase by the Company and the Sublessee of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The Company and the Sublessee shall

indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company and the Sublessee, as agent of the Agency. The aforesaid appointment of the Company and the Sublessee as agents of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company and/or the Sublessee have received exemptions from sales and use taxes in an amount not to exceed \$22,856 in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company and/or the Sublessee if such activities and improvements are not completed by such time. The aforesaid appointment of the Company and the Sublessee is subject to the completion of the transaction and the execution of the documents contemplated by this resolution.

Section 8. The Company and the Sublessee hereby agree to comply with Section 875 of the Act. The Company and the Sublessee further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company and the Sublessee as agents of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the recapture provisions of the Lease Agreement and the Agency Compliance Agreement.

Section 9. The form and substance of the Company Lease, the Lease Agreement, the Equipment Lease Agreement, the Agency Compliance Agreement and the Loan Documents to which the Agency is a party (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 10. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease, the Lease Agreement, the Equipment Lease Agreement, the Agency Compliance Agreement and the Loan Documents to which the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

Section 11. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 12. 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 Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, 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 Agency Documents binding upon the Agency.

Section 13. This resolution shall take effect immediately.

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

I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 25th day of July, 2017, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 25th day of July, 2017.

By: _____
Assistant Secretary

EXHIBIT A

Proposed PILOT Benefits

Schedule for Payments-In-Lieu-of-Taxes: Town of Islip, (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Central Islip Union Free School District, Suffolk County and Appropriate Special Districts

Definitions

Normal Tax Due = Those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Islip (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located) which are or may be imposed for special improvements or special district improvements, that the Company and/or the Sublessee would pay without exemption.

Payment

2018/2019	100% Normal Tax Due on the taxable assessed value of \$78,850
2019/2020	100% Normal Tax Due on the taxable assessed value of \$86,735
2020/2021	100% Normal Tax Due on the taxable assessed value of \$94,620
2021/2022	100% Normal Tax Due on the taxable assessed value of \$102,505
2022/2023	100% Normal Tax Due on the taxable assessed value of \$110,390
2023/2024	100% Normal Tax Due on the taxable assessed value of \$118,275
2024/2025	100% Normal Tax Due on the taxable assessed value of \$126,160
2025/2026	100% Normal Tax Due on the taxable assessed value of \$134,045
2026/2027	100% Normal Tax Due on the taxable assessed value of \$141,930
2027/2028	100% Normal Tax Due on the taxable assessed value of \$149,815
2028/2029	100% Normal Tax Due on the full assessed value

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR JULY 25, 2017

AGENDA ITEM # 5

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: THE NATURE'S BOUNTY Co.

PROJECT LOCATION: 10 Vitamin Drive, Bayport. 35 Vitamin Drive, Bayport.
60 Orville Drive, Bohemia. 90 Orville Drive, Bohemia. 105 Orville Drive, Bohemia. 115 Orville
Drive, Bohemia. 815 Grundy Avenue, Holbrook. 2100 Smithtown Avenue, Ronkonkoma and
4320 Veterans Memorial Highway, Holbrook

JOBS (RETAINED/CREATED): RETAINED - N/A-
CREATE - N/A-

INVESTMENT: \$N/A

Date: July 25, 2017

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York on the 25th day of July, 2017 the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of leasehold title to a certain industrial development facility more particularly described below (The Nature’s Bounty Co. Facility) and the leasing of the facility to The Nature’s Bounty Co.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

AMENDED RESOLUTION OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE
ACQUISITION OF A LEASEHOLD INTEREST,
RENOVATION AND EQUIPPING OF A CERTAIN
INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING
THE APPOINTMENT OF THE NATURE'S BOUNTY CO., A
BUSINESS CORPORATION, ON BEHALF OF ITSELF
AND/OR THE PRINCIPALS OF THE NATURE'S BOUNTY CO
AND/OR AN ENTITY FORMED OR TO BE FORMED ON
BEHALF OF ANY OF THE FOREGOING, AS AGENT(S) OF
THE AGENCY FOR THE PURPOSE OF ACQUIRING,
RENOVATING AND EQUIPPING CERTAIN INDUSTRIAL
DEVELOPMENT FACILITIES AND APPROVING THE FORM,
SUBSTANCE AND EXECUTION OF RELATED
DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as amended from time to time (collectively, the "**Act**"), the Town of Islip Industrial Development Agency (the "**Agency**") was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, Agency previously approved a request from The Nature's Bounty Co., a business corporation organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of The Nature's Bounty Co. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), to enter into a transaction in which the Agency will assist in the acquisition of a leasehold interest in the following:

- (a) an approximately 60.5 acre parcel of land located at 10 Vitamin Drive, Bayport, New York (the "**10 Vitamin Drive Land**") and the renovation and equipping of an existing approximately 161,500 square foot building located thereon (the "**10 Vitamin Drive Improvements**"; and, together with the 10 Vitamin Drive Land, the "**10 Vitamin Drive Facility**"), which 10 Vitamin Drive Facility will be leased by the Agency to the Company for use in its business of well-known vitamin and active nutrition products for manufacturing and a parking lot; and
- (b) an approximately 1.0 acre parcel of land located at 35 Vitamin Drive, Bayport, New York (the "**35 Vitamin Drive Land**") and the renovation and equipping of an existing approximately 12,000 square foot building located thereon (the "**35 Vitamin Drive Improvements**"; and, together with the 35

Vitamin Drive Land, the “**35 Vitamin Drive Facility**”), which 35 Vitamin Drive Facility will be leased by the Agency to the Company in its business for the storage of well-known vitamin and active nutrition products; and

- (c) an approximately 2.52 acre parcel of land located at 60 Orville Drive, Bohemia, New York (the “**60 Orville Drive Land**”) and the renovation and equipping of an existing approximately 42,000 square foot building located thereon (the “**60 Orville Drive Improvements**”; and, together with the 60 Orville Drive Land, the “**60 Orville Drive Facility**”), which 60 Orville Drive Facility will be leased by the Agency to the Company for use as administrative office space in its business as a manufacturer and distributor of well-known vitamin and active nutrition products; and
- (d) an approximately 10.69 acre parcel of land located at 90 Orville Drive, Bayport, New York (the “**90 Orville Drive Land**”) and the renovation and equipping of an existing approximately 169,000 square foot building located thereon (the “**90 Orville Drive Improvements**”; and, together with the 90 Orville Drive Land, the “**90 Orville Drive Facility**”), which 90 Orville Drive Facility will be leased by the Agency to the Company for use in its business as administrative office space in the manufacturing and packaging location of well-known vitamin and active nutrition products; and
- (e) an approximately 3.9 acre parcel of land located at 105 Orville Drive, Bohemia, New York (the “**105 Orville Drive Land**”) and the renovation and equipping of an existing approximately 80,000 square foot building located thereon (the “**105 Orville Drive Improvements**”; and, together with the 105 Orville Drive Land, the “**105 Orville Drive Facility**”), which 105 Orville Drive Facility will be leased by the Agency to the Company for use in its business in the manufacturing of well-known vitamin and active nutrition products (approximately 2,500 square feet of the 105 Orville Drive Facility is used for retail space that is less than 10% of the total space of the 105 Orville Drive Facility); and
- (f) an approximately 4.9 acre parcel of land located at 115 Orville Drive, Bohemia, New York (the “**115 Orville Drive Land**”) and the renovation and equipping of an existing approximately 75,000 square foot building located thereon (the “**115 Orville Drive Improvements**”; and, together with the 115 Orville Drive Land, the “**115 Orville Drive Facility**”), which 115 Orville Drive Facility will be leased by the Agency to the Company for use in its business in the manufacturing and packaging of well-known vitamin and active nutrition products; and
- (g) an approximately 6.76 acre parcel of land located at 815 Grundy Avenue, Holbrook, New York (the “**815 Grundy Avenue Land**”) and the renovation and equipping of an existing approximately 108,000 square foot building located thereon (the “**815 Grundy Avenue Improvements**”; and, together with the 815 Grundy Avenue Land, the “**815 Grundy Avenue Facility**”),

which 815 Grundy Avenue Facility will be leased by the Agency to the Company for use in its business in the manufacturing and packaging of well-known vitamin and active nutrition products; and

- (h) an approximately 8.96 acre parcel of land located at 2100 Smithtown Avenue, Ronkonkoma, New York (the “**2100 Smithtown Avenue Land**”) and the renovation and equipping of an existing approximately 110,000 square foot building located thereon (the “**2100 Smithtown Avenue Improvements**”; and, together with the 2100 Smithtown Avenue Land, the “**2100 Smithtown Avenue Facility**”), which 2100 Smithtown Avenue Facility will be leased by the Agency to the Company for use as its global corporate headquarters and administrative offices in its business as a manufacturer and distributor of well-known vitamin and active nutrition products; and

(collectively, (a) thru (h) above, the “**Project**”), each of the facilities will be owned, operated and/or managed by the Company; and

WHEREAS, the 10 Vitamin Drive Land, the 35 Vitamin Drive Land, the 60 Orville Drive Land, the 90 Orville Drive Land, the 105 Orville Drive Land, 115 Orville Drive Land, the 815 Grundy Avenue Land and the 2100 Smithtown Avenue Land, are collectively, the “**Land**”; and

WHEREAS, the 10 Vitamin Drive Improvements, the 35 Vitamin Drive Improvements, the 60 Orville Drive Improvements, the 90 Orville Drive Improvements, the 105 Orville Drive Improvements, 115 Orville Drive Improvements, the 815 Grundy Avenue Improvements and the 2100 Smithtown Avenue Improvements, are collectively, the “**Improvements**”; and

WHEREAS, the 10 Vitamin Drive Facility, the 35 Vitamin Drive Facility, the 60 Orville Drive Facility, the 90 Orville Drive Facility, the 105 Orville Drive Facility, 115 Orville Drive Facility, the 815 Grundy Avenue Facility and the 2100 Smithtown Avenue Facility, are collectively, the “**Facility**”; and

WHEREAS, pursuant to an Authorizing Resolution, dated April 25, 2017, the Agency approved providing the requested assistance to the Company; and

WHEREAS, subsequent to the Authorizing Resolution, the Company requested the Agency’s consent to providing financial assistance for an additional property to be added to the Project and described as an approximately 10.92 acre parcel of land located at 4320 Veterans Memorial Highway, Holbrook, New York (the “**4320 Veterans Memorial Highway Land**”) and the renovation and equipping of an existing approximately 230,000 square foot building located thereon (the “**4320 Veterans Memorial Highway Improvements**”; and, together with the 4320 Veterans Memorial Highway Land, the “**4320 Veterans Memorial Highway Facility**”), which 4320 Veterans Memorial Highway Facility will be leased by the Agency to the Company for use in its business of well-known vitamin and active nutrition products for administration and distribution; and

WHEREAS, subject to the provisions of this resolution, the Project will be amended to include the 4320 Veterans Memorial Highway Facility; and

WHEREAS, subject to the provisions of this resolution, the Land, will now include the 4320 Veterans Memorial Highway Land; and

WHEREAS, subject to the provisions of this resolution, the Improvements, will now include the 4320 Veterans Memorial Highway Improvements; and

WHEREAS, subject to the provisions of this resolution, the Facility will now include the 4320 Veterans Memorial Highway Facility; and

WHEREAS, on July 24, 2017, the Agency held a public hearing (the “**Hearing**”) so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the 4320 Veterans Memorial Highway Facility can be heard; and

WHEREAS, notice of the Hearing was given, and such notice (together with proof of publication) is in substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing are or will be annexed hereto as Exhibit B; and

WHEREAS, the Agency will acquire a leasehold interest in the Facility, will sublease and lease the Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”); and

WHEREAS, the Agency will acquire a leasehold interest in the Land and Improvements pursuant to a certain Company Lease Agreement, dated as of July 1, 2017 or such other date as the Chairman, Executive Director, or Deputy Executive Director of the Agency and counsel to the Agency shall agree (the “**Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the Equipment (as defined in the hereinafter defined Lease Agreement) pursuant to a certain Bill of Sale, dated the Closing Date (the “**Bill of Sale**”), from the Company to the Agency; and

WHEREAS, the Agency will sublease and lease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of July 1, 2017 or such other date as the Chairman, Executive Director, or Deputy Executive Director of the Agency and counsel to the Agency shall agree (the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of (i) exemptions from sales and use taxes in an approximate amount not to exceed \$12,250,000, in connection with the

purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof); and

WHEREAS, the sales and use tax exemption stated herein is merely a restatement of the sales and use tax exemption authorized in the Agency's April 25, 2017 Authorizing Resolution, and shall not be construed as authorization for any additional sales and use tax exemptions; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed financial assistance is either an inducement to the Company to maintain the 4320 Veterans Memorial Highway Facility in the Town of Islip or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "**SEQR Act**" or "**SEQR**"), the Agency constitutes a "State Agency"; and

WHEREAS, to aid the Agency in determining whether the 4320 Veterans Memorial Highway Facility may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the "**Questionnaire**") with respect to the 4320 Veterans Memorial Highway Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the 4320 Veterans Memorial Highway Facility by the Agency to the Company.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. Based upon the Environmental Assessment Form completed by the Company and reviewed by the Agency and other representations and information furnished by the Company regarding the 4320 Veterans Memorial Highway Facility, the Agency determines that the action relating to the renovation, construction, equipping, and operation of the 4320 Veterans Memorial Highway Facility is an "unlisted" action, as that term is defined in the SEQR Act. The Agency also determines that the action will not have a "significant effect" on the environment, and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman or Executive Director of the Agency or counsel to the Agency

Section 2. The Agency hereby finds and determines:

(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 4320 Veterans Memorial Highway Facility constitutes a “project”, as such term is defined in the Act; and

(c) The renovation and equipping of the 4320 Veterans Memorial Highway Facility and the leasing and subleasing of the 4320 Veterans Memorial Highway Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The renovation and equipping of the 4320 Veterans Memorial Highway Facility is reasonably necessary to induce the Company to maintain and expand their its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the 4320 Veterans Memorial Highway Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County, and all regional and local land use plans for the area in which the 4320 Veterans Memorial Highway Facility is located; and

(f) The 4320 Veterans Memorial Highway Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and

(g) The Company Lease will be an effective instrument whereby the Agency leases the 4320 Veterans Memorial Highway Land and the 4320 Veterans Memorial Highway Improvements from the Company; and

(h) The Lease Agreement will be an effective instrument whereby the Agency leases and subleases the 4320 Veterans Memorial Highway Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the 4320 Veterans Memorial Highway Facility and will describe the circumstances in which the Agreement may recapture some or all of the benefits granted to the Company.

Section 3. The Agency has assessed all material information included in connection with the Company’s application for financial assistance, including but not limited to, the cost-benefit analysis prepared by the Agency and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company.

Section 4. In consequence of the foregoing, the Agency hereby determines to: (i) lease the 4320 Veterans Memorial Highway Land and the 4320 Veterans Memorial Highway Improvements from the Company pursuant to the Company Lease, (ii) execute,

deliver and perform the Company Lease, (iii) sublease and lease the 4320 Veterans Memorial Highway Facility to the Company pursuant to the Lease Agreement, and (iv) execute, deliver and perform the Lease Agreement.

Section 5. The Agency is hereby authorized to acquire a leasehold interest in the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 6. The Agency is hereby authorized to acquire the 4320 Veterans Memorial Highway Facility and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 7. In connection with the 4320 Veterans Memorial Highway Facility the Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the renovation and equipping of the 4320 Veterans Memorial Highway Facility in the form of the Agency (i) exemptions from sales and use taxes in an amount not to exceed \$12,250,000, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the 4320 Veterans Memorial Highway Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof), consistent with the policies of the Agency.

Section 8. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, renovate and equip the 4320 Veterans Memorial Highway Facility. The Company is hereby empowered to delegate its status as agent of the Agency to its agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company may choose in order to acquire, renovate and equip the 4320 Veterans Memorial Highway Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agent of the Agency solely for purposes of making sales or leases of goods, services and supplies to the 4320 Veterans Memorial Highway Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agent of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the 4320 Veterans Memorial Highway Facility. This agency appointment expressly excludes the purchase by the Company of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The Company shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company, as agent of the Agency. The aforesaid appointment of the Company as agents of the Agency to acquire, renovate and equip the 4320 Veterans Memorial Highway Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company has received exemptions from sales and use taxes for the Facility in an amount not to exceed \$[_____], in connection with the purchase or lease of equipment, building materials, services or other

personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time. The aforesaid appointment of the Company is subject to the execution of the documents contemplated by this resolution

Section 9. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company as agents of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act.

Section 10. The form and substance of the Transaction Documents to which the Agency is a party (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 11.

(a) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease and the Lease Agreement, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 12. 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 Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, 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 Agency Documents binding upon the Agency.

Section 13. This resolution ratifies, confirms and amends the resolution of the Agency dated April 25, 2017.

Section 14. This resolution shall take effect immediately.

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

I, the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the "**Agency**"), including the resolutions contained therein, held on the 25th day of July, 2017, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 25th day of July, 2017.

By: _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR JULY 25, 2017

AGENDA ITEM # 6

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: 108 HOFFMAN REALTY, LLC/TOWNE
BUS CORPORATION

PROJECT LOCATION: 108 Hoffman Lane,
Islandia, New York

JOBS (RETAINED/CREATED): RETAINED - N/A-
CREATE - N/A-

INVESTMENT: \$N/A

Date: July 25, 2017

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York on the 25th day of July, 2017 the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of leasehold title to a certain industrial development facility more particularly described below (108 Hoffman Realty LLC Facility) and the leasing of the facility to 108 Hoffman Realty LLC.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY APPROVING THE ACQUISITION
OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY
AND APPROVING THE FORM, SUBSTANCE AND
EXECUTION OF RELATED DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as amended from time to time (collectively, the “**Act**”), the Town of Islip Industrial Development Agency (the “**Agency**”) was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, 108 Hoffman Realty LLC, a limited liability company, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of 108 Hoffman Realty LLC and/or an entity formed or to be formed on behalf of any of the foregoing (the “**Company**”), has applied to the Town of Islip Industrial Development Agency (the “**Agency**”) to enter into a transaction in which the Agency will assist in the acquisition of an approximately 3.3 acre parcel of land located at 108 Hoffman Lane, Islandia, New York including two (2) buildings located thereon (an approximately 6,260 square foot building and an approximately 8,540 square foot building) (collectively, the “**Facility**”), which Facility is to be leased and subleased by the Agency to the Company and will be further subleased by the Company to Towne Bus Corp., and/or other affiliates of the Company (collectively, the “**Tenants**”), for use as a school bus depot and maintenance facility (the “**Project**”); and

WHEREAS, the Agency will acquire a leasehold interest in the Facility, will sublease and lease the Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”); and

WHEREAS, the Agency, by resolution duly adopted on June 20, 2017 (the “**Inducement Resolution**”), decided to proceed under the provisions of the Act; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and Improvements pursuant to a certain Company Lease Agreement, dated as of July 1, 2017 or such other date as the Chairman, Executive Director, or Deputy Executive Director of the Agency and counsel to the Agency shall agree (the “**Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency will sublease and lease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of July 1, 2017 or such other date as the

Chairman, Executive Director, or Deputy Executive Director of the Agency and counsel to the Agency shall agree (the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof); and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transaction is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(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 Facility constitutes a “project”, as such term is defined in the Act; and

(c) The acquisition of the Facility and the leasing and subleasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and

(f) The Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and

(g) The Company Lease will be an effective instrument whereby the Agency leases the Land and the Improvements from the Company; and

(h) The Lease Agreement will be an effective instrument whereby the Agency leases and subleases the Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agreement may recapture some or all of the benefits granted to the Company.

Section 2. The Agency has assessed all material information included in connection with the Company's application for financial assistance, including but not limited to, the cost-benefit analysis prepared by the Agency and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sublease and lease the Facility to the Company pursuant to the Lease Agreement, and (iv) execute, deliver and perform the Lease Agreement.

Section 4. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 5. The Agency is hereby authorized to acquire the Facility and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 6. In connection with the Facility the Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition of the Facility in the form of abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), consistent with the policies of the Agency.

Section 7. The form and substance of the Transaction Documents to which the Agency is a party (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 8.

(a) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease and the Lease Agreement, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall approve, and such other related documents as may be, in

the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 9. 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 Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, 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 Agency Documents binding upon the Agency.

Section 10. This resolution shall take effect immediately.

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

I, the undersigned Secretary of the Town of Islip Industrial Development Agency, DO
HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town
of Islip Industrial Development Agency (the "**Agency**"), including the resolutions contained
therein, held on the 25th day of July, 2017, with the original thereof on file in my office, and
that the same is a true and correct copy of the proceedings of the Agency and of such
resolutions set forth therein and of the whole of said original insofar as the same related to
the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in
substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was
duly given to the public and the news media in accordance with the New York Open
Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that
all members of said Agency had due notice of said meeting and that the meeting was all
respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 25th day of July,
2017.

By: _____
Assistant Secretary

EXHIBIT A

Proposed PILOT Benefits

Schedule for payments-in-lieu-of-taxes: Town of Islip (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Hauppauge School District, Suffolk County and Appropriate Special Districts

Definitions:

Normal Tax Due = Those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Islip (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Hauppauge School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption

2018/2019	100% Normal Tax Due on the taxable assessed value of \$95,600
2019/2020	100% Normal Tax Due on the taxable assessed value of \$115,040
2020/2021	100% Normal Tax Due on the taxable assessed value of \$134,480
2021/2022	100% Normal Tax Due on the taxable assessed value of \$153,920
2022/2023	100% Normal Tax Due on the taxable assessed value of \$173,360
2023/2024	100% Normal Tax Due on the taxable assessed value of \$192,800
2024/2025	100% Normal Tax Due on the taxable assessed value of \$212,240
2025/2026	100% Normal Tax Due on the taxable assessed value of \$231,680
2026/2027	100% Normal Tax Due on the taxable assessed value of \$251,120
2027/2028	100% Normal Tax Due on the taxable assessed value of \$270,560
2028/2029	100% Normal Tax Due on the full assessed value