

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR
AUGUST 21, 2018

AGENDA ITEM # 1

TYPE OF RESOLUTION: CALL THE IDA MEETING TO ORDER

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

August 21, 2018

Agenda

1. Call the meeting of the Town of Islip Industrial Development Agency 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 **July 17, 2018**.
3. To consider the adoption of a Mortgage Refinancing Resolution for **Ascent Pharmaceuticals**. Located on the west side of South Technology Drive, Central Islip. (0500-20700-0100-005000).
4. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **ABH Pharma, Inc.** Located at 200 Heartland Blvd, Edgewood. (0500-13400-0100-002000).
5. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Quesos La Ricura, LTD.** Located at 151 Alkier Street, Brentwood. (0500-11800-0300-019015).
6. To consider the adoption of an Inducement/Authorizing resolution for **US Alliance Paper Inc.** Located at 101 & 111 Heartland Blvd, Edgewood. (0500-13400-0500-003001).
7. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **55 Paradise Lane Realty, LLC.** Located at 40 Harold Court (a.k.a. 55 Paradise Lane), Bay Shore. (0500-18100-03-052000).
8. To consider an adoption of an Amended Authorizing Resolution between the Town of Islip Industrial Development Agency and **The Cornerstone at Hauppauge.** Located at Motor Parkway and Joshua's Path, Hauppauge. Located at the N/E/C of Motor Parkway and Joshua's Path, Hauppauge, New York. (0500-05400-00100-007000, 008000, 009000, 011000, 012000 & 006004).
9. To consider an adoption of an Amended Authorizing Resolution between the Town of Islip Industrial Development Agency and **Brothers Duo 3/SUSA Soccer.** Located at Carleton Avenue at DPW Drive, Central Islip. (0500-20700-0100-004018).
10. To consider the adoption of a Resolution to Authorize an Agreement between the Town of Islip Industrial Development Agency and **(CGR) Center for Governmental Research, Inc.** of One South Washington Street, Suite 400, Rochester, New York.
11. To consider **any other business** to come before the Agency.

INVESTMENT: \$ N/A



MEETING OF THE TOWN OF ISLIP

INDUSTRIAL DEVELOPMENT AGENCY

July 17, 2018

Meeting Minutes

1. Call the meeting of the Town of Islip Industrial Development Agency to order on a motion by Councilman James P. O'Connor and seconded by Councilman John Cochrane.

Members Angie M. Carpenter, Councilwoman Mary Kate Mullen, Councilman John C. Cochrane Jr., Councilman James P. O'Connor 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 **June 19, 2018**. On a motion by Councilman John C. Cochrane Jr. and seconded by Councilwoman Trish Bergin Weichbrodt, motion approved unanimously.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **55 Paradise Lane Realty, LLC**. Located at 40 Harold Court (55 Paradise Lane), Bay Shore. (0500-181-0300-052007). On a motion by Councilman John C. Cochrane Jr. and seconded by Councilman James P. O'Connor, motion approved unanimously.
4. To consider the adoption of a Preliminary Inducement Resolution between the Town of Islip Industrial Development Agency and **Bay Park Holdings (Senior Affordable Housing)**. Located at 28, 32 & 34 Park Avenue, Bay Shore. (0500-39300-0200-073005), (0500-39300-0200-072000) & 0500-39300-0200-071000). On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilwoman Mary Kate Mullen, motion approved unanimously.
5. To consider the adoption of a Preliminary Inducement Resolution between the Town of Islip Industrial Development Agency and **US Alliance Paper/Heartland Boys III L.P.** Located at 101 & 111 Heartland Blvd, Edgewood. (0500-13400-0500-003001 & 0500-11200-0300-001018). On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman James P. O'Connor, motion approved unanimously.
6. To consider the adoption of a Inducement Resolution between the Town of Islip Industrial Development Agency and **Brothers Duo 3, LLC/SUSA Soccer Training, LLC**. Located at 0 Carleton Avenue, Central Islip. On a motion by Councilman John C. Cochrane Jr., and seconded by Councilwoman Mary Kate Mullen, motion approved unanimously.
7. To consider any other business to come before the Agency, there being none a motion to adjourn on a motion by Councilman James P. O'Connor and seconded by Councilwoman Trish Bergin Weichbrodt.

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR
AUGUST 21, 2018

AGENDA ITEM # 3

TYPE OF RESOLUTION: MORTGAGE REFINANCING
RESOLUTION

COMPANY: ASCENT PHARMACEUTICALS

PROJECT LOCATION: WEST SIDE OF S. TECHNOLOGY DRIVE,
CENTRAL ISLIP

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

INVESTMENT: \$ N/A

Date: August 21, 2018

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 21st day of August, 2018, 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 a proposed mortgage financing and the execution of related loan documents in connection with a certain industrial development facility more particularly described below (Ascent Pharm Realty Inc./Ascent Pharmaceuticals, Inc. 2015 Facility) and approving the execution and delivery of related documents.

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 AUTHORIZING MORTGAGE
FINANCING AND THE EXECUTION AND DELIVERY OF LOAN
DOCUMENTS IN CONNECTION THEREWITH FOR THE
ASCENT PHARM REALTY INC., A BUSINESS CORPORATION
AND ASCENT PHARMACEUTICALS, INC., A BUSINESS
CORPORATION 2015 FACILITY AND APPROVING THE FORM,
SUBSTANCE, EXECUTION AND DELIVERY OF SUCH
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 the same may be 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 certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency previously assisted Ascent Pharm Realty Inc., a New York business corporation (the “**Company**”), and Ascent Pharmaceuticals, Inc., a New York business corporation (the “**Sublessee**”), in connection with (i) the acquisition of an approximately 13.46 acre parcel of land located on the west side of South Technology Drive, 291 feet south of South Research Place, Central Islip, New York (the “**Land**”), and the construction of an approximately 260,000 square foot building (the “**Improvements**”) and the acquisition and installation of certain equipment not part of the Equipment (as hereinafter defined) (the “**Facility Equipment**”; together with the Land and the Improvements, the “**Company Facility**”, which Company Facility is leased by the Agency to the Company and subleased by the Company to the Sublessee, and (ii) the acquisition and installation of certain equipment and personal property, including, but not limited to, molding and bottle-cap lining equipment, office furniture, computers and telephone system (the “**Equipment**”; and, together with the Company Facility, the “**Facility**”), which Equipment is leased by the Agency to the Sublessee and which Facility is used by the Sublessee in its business for the manufacturing and distribution of bottling for pharmaceutical products; and

WHEREAS, the Agency is leasing the Facility to the Company pursuant to a certain Lease Agreement, dated as of June 1, 2015 (the “**Lease Agreement**”), by and between the Agency, as lessor and the Company, as lessee, and a Memorandum of Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, in connection with the leasing and the subleasing of the Facility, the Agency, the Company and the Sublessee entered into a Payment-in-Lieu-of-Tax Agreement, dated as of June 1, 2015 (the “**PILOT Agreement**”), which provided for the Company and the Sublessee to make payments in lieu of real property taxes on the Facility; and

WHEREAS, in connection with the leasing and the subleasing of the Facility, the Agency, the Company and the Sublessee entered into an Environmental Compliance and Indemnification Agreement, dated as of June 1, 2015 (the “**Environmental Compliance and Indemnification Agreement**”), whereby the Company and the Sublessee agreed to comply with all Environmental Laws (as defined therein) applicable to the Facility; and; and

WHEREAS, the Company has now requested that the Agency consent to enter into a financing with Bank of Baroda or such other lender as may be determined (the “**Lender**”), with respect to the Facility in the aggregate principal amount presently expected to be \$5,000,000 but not to exceed \$7,000,000 (the “**Loan**”); and

WHEREAS, as security for such Loan being made to the Company by the Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the Lender one or more mortgages and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the Lender (the “**Loan Documents**”); 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 exemptions from mortgage recording taxes, to the extent allowed by law, for one or more mortgages securing the principal amount presently estimated to be \$5,000,000 but not to exceed \$7,000,000, in connection with the financing or refinancing 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; 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;

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

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.
- (b) The Facility continues to constitute a “project”, as such term is defined in the Act.
- (c) The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Islip.
- (d) The financing or refinancing of the acquisition, renovation and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Islip, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.

- (e) The financing or refinancing of the acquisition, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (f) Based upon representations of the Company and counsel to the Company, the Facility continues to conform 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.
- (g) It is desirable and in the public interest for the Agency to assist in the financing or refinancing of the acquisition, construction and equipping of the Facility.
- (h) The Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency's Unassigned Rights as defined therein).

Section 2.

In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage on and security interest in and to the Facility pursuant to a certain mortgage and security agreement for the benefit of the Lender (the "**Mortgage**"), (ii) execute, deliver and perform the Mortgage, and (iii) execute, deliver and perform the Loan Document to which the Agency is a party, as may be necessary or appropriate to effect the Loan or any subsequent refinancing of the Mortgage.

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the Loan Documents and Mortgage, and such other related documents as may be necessary or appropriate to effect the Loan, or any subsequent refinancing of the Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 4. Subject to the provisions of this resolution and the Lease Agreement, the Agency hereby authorizes and approves the following economic benefits to be granted to the Company in the form of exemptions from mortgage recording taxes, to the extent allowed by law, for one or more mortgages securing the principal amount presently estimated to be \$5,000,000 but not to exceed \$7,000,000, in connection with the financing or refinancing 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 of the Facility.

Section 5.

(a) Subject to the provisions of this resolution and the Lease Agreement; the Chairman, Executive Director, the Deputy Executive Director and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Mortgage and

Loan Documents, together with such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, Executive Director, the Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval; and

(b) the Chairman, Executive Director, the Deputy Executive Director and any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency.

Section 6. Subject to the provisions of this resolution and the Lease Agreement, 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 7. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. The Company has agreed to pay such expenses and further shall 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 financing or refinancing of the Facility.

Section 8. 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 August 21, 2018 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 is 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 21st day of August, 2018.

By: _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR
AUGUST 21, 2018

AGENDA ITEM # 4

TYPE OF RESOLUTION: INDUCEMENT RESOLUTION

COMPANY: ABH PHARMA, INC.

PROJECT LOCATION: 200 HEARTLAND BLVD, EDGEWOOD

JOBS (RETAINED/CREATED): RETAINED - 90 -
CREATE - 55 -

INVESTMENT: \$8,030,000.00

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY TAKING OFFICIAL ACTION
TOWARD APPOINTING ABH PHARMA INC., A NEW
YORK BUSINESS CORPORATION, ON BEHALF OF
ITSELF AND/OR THE PRINCIPALS OF ABH PHARMA
INC. AND/OR AN ENTITY FORMED OR TO BE FORMED
ON BEHALF OF ANY OF THE FOREGOING AND ABH
NATURE'S PRODUCTS, INC., A NEW YORK BUSINESS
CORPORATION ON BEHALF OF ITSELF AND/OR THE
PRINCIPALS OF ABH NATURE'S PRODUCTS, 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, ABH Pharma 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 ABH Pharma Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**") and ABH Nature's Products, 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 ABH Nature's Products, 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 2.56 acre parcel of land located at 200 Heartland Boulevard, Edgewood, New York 11717 (the "**Land**"), the renovation of an approximately 40,000 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 (collectively, 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 for research and development, product packaging, manufacturing, warehousing and distribution in its business as a distributor of health care products including pharmaceutical supplements (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, 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, 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 tax exemptions and abatements provided pursuant to the Act and the appointment of the Company and the Sublessee as agents of the Agency pursuant to this resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 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.

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 August 21, 2018, 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 August 21, 2018.

Assistant Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Title 1 of Article 18-A of the New York State General Municipal Law will be held by the Town of Islip Industrial Development Agency on the ____ day of September, 2018, at _____.m., local time, at 40 Nassau Avenue, Islip, New York 11751 in connection with the following matters:

ABH Pharma 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 ABH Pharma Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**") and ABH Nature's Products, 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 ABH Nature's Products, 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 2.56 acre parcel of land located at 200 Heartland Boulevard, Edgewood, New York 11717 (the "**Land**"), the renovation of an approximately 40,000 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 (collectively, 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 for research and development, product packaging, manufacturing, warehousing and distribution in its business as a distributor of health care products including pharmaceutical supplements (the "**Project**"). The Company Facility will be initially owned, operated and/or managed by the Company. The Equipment will be initially owned, operated and/or managed by the Sublessee.

The Agency contemplates that it will provide financial assistance to the Company and the Sublessee 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 in connection with the renovation and equipping of the Facility and exemption of real property taxes consistent with the policies of the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company and the Sublessee or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company and the Sublessee with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: _____, 2018

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT
AGENCY

By: William G. Mannix
Title: Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
SEPTEMBER __, 2018

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
(ABH PHARMA INC./ABH NATURE'S PRODUCTS, INC. FACILITY)

Section 1. _____ of the Town of Islip Industrial Development Agency (the "**Agency**") called the hearing to order.

Section 2. The _____ then appointed _____, the _____ of the Agency, the hearing officer of the Agency, to record the minutes of the hearing.

Section 3. The hearing officer then described the proposed transfer of the real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility as follows:

ABH Pharma 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 ABH Pharma Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**") and ABH Nature's Products, 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 ABH Nature's Products, 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 2.56 acre parcel of land located at 200 Heartland Boulevard, Edgewood, New York 11717 (the "**Land**"), the renovation of an approximately 40,000 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 (collectively, 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 for research and development, product packaging, manufacturing, warehousing and distribution in its business as a

distributor of health care products including pharmaceutical supplements (the “**Project**”). The Company Facility will be initially owned, operated and/or managed by the Company. The Equipment will be initially owned, operated and/or managed by the Sublessee. The Company Facility will be initially owned, operated and/or managed by the Company. The Equipment will be initially owned, operated and/or managed by the Sublessee.

The Agency contemplates that it will provide financial assistance to the Company and the Sublessee 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 in connection with the renovation and equipping of the Facility and exemption of real property taxes consistent with the policies of the Agency.

Section 4. The hearing officer then opened the hearing for comments from the floor for or against the proposed transfer of real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

Section 5. The hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at _____.

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 the minutes of a public hearing held by the Town of Islip Industrial Development Agency (the “**Agency**”) on the ____ day of September, 2018, at _____ .m., local time, at 40 Nassau Avenue, Islip, New York, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

IN WITNESS WHEREOF, I have hereunto set my hand as of September ___, 2018.

Assistant Secretary

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR
AUGUST 21, 2018**

AGENDA ITEM # 5

TYPE OF RESOLUTION: INDUCEMENT RESOLUTION

COMPANY: QUESOS LA RICURA, LTD.

PROJECT LOCATION: 151 ALKIER STREET, BRENTWOOD

JOBS (RETAINED/CREATED): RETAINED - 340 -
CREATE - 100 -

INVESTMENT: \$8,000,000.00

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY TAKING OFFICIAL ACTION
TOWARD APPOINTING QUESOS LA RICURA, LTD., A
BUSINESS CORPORATION, ON BEHALF OF ITSELF
AND/OR THE PRINCIPALS OF QUESOS LA RICURA, LTD.
AND/OR AN ENTITY FORMED OR TO BE FORMED ON
BEHALF 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, Quesos La Ricura, LTD., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Quesos La Ricura, LTD. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, 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 3.10 acre parcel of land located at 151 Alkier Street, Brentwood, New York 11717 (the “**Land**”), the renovation of an approximately 70,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company, and an approximately 5,000 square foot portion of the Facility will be subleased by the Company to The Consulate General of El Salvador, or such other tenant as may be determined (the “**Tenant**”) and the remaining approximately 65,000 square feet will be used by the Company as warehouse, manufacturing, distribution and administration space in its business as a manufacturer and distributor of cheese and other food products across the United States (the “**Project**”); and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Equipment and 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 Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and the Extension and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes, exemptions from sales and use taxes and abatement of real property taxes on the Facility, 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, 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 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 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 Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by 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 Facility by the Agency to the Company.

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 reviewed by the Agency and other representations and information furnished by the Company 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 Facility to the Company and the provision of financial assistance on the Facility 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, and (ii) lease and sublease the Facility to the Company.

Section 4. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease and Project Agreement, dated a date to be determined (the "**Lease Agreement**"), by and between the Company and the Agency. The Company is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement.

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 transactions 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 (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. The Company shall 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.

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 August 21, 2018, 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 August 21, 2018.

Assistant Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Title 1 of Article 18-A of the New York State General Municipal Law will be held by the Town of Islip Industrial Development Agency on the ____ day of September, 2018, at ____ a.m., local time, at the Town of Islip, Offices of Economic Development, 40 Nassau Avenue, Islip, New York 11751 in connection with the following matters:

Quesos La Ricura, LTD., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Quesos La Ricura, LTD. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, 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 3.10 acre parcel of land located at 151 Alkier Street, Brentwood, New York 11717 (the “**Land**”), the renovation of an approximately 70,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company, and an approximately 5,000 square foot portion of the Facility will be subleased by the Company to The Consulate General of El Salvador, or such other tenant as may be determined (the “**Tenant**”) and the remaining approximately 65,000 square feet will be used by the Company as warehouse, manufacturing, distribution and administration space in its business as a manufacturer and distributor of cheese and other food products across the United States (the “**Project**”). The Facility will be initially owned, operated and/or managed by the Company.

The Agency will acquire a leasehold interest in the Land and the Improvements and title to the Equipment and will lease and sublease the Facility to the Company. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes and sales and use taxes and abatement of real property taxes on the Facility, all consistent with the policies of the Agency.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: ____, 2018

TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY

By: William G. Mannix
Title: Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
SEPTEMBER __, 2018

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
(QUESOS LA RICURA, LTD. 2018 FACILITY)

1. _____ of the Town of Islip Industrial Development Agency (the “**Agency**”) called the hearing to order.

2. _____ then appointed himself the hearing officer of the Agency, to record the minutes of the hearing.

3. The hearing officer then described the proposed transfer of the real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility as follows:

Quesos La Ricura, LTD., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Quesos La Ricura, LTD. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, 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 3.10 acre parcel of land located at 151 Alkier Street, Brentwood, New York 11717 (the “**Land**”), the renovation of an approximately 70,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company, and an approximately 5,000 square foot portion of the Facility will be subleased by the Company to The Consulate General of El Salvador, or such other tenant as may be determined (the “**Tenant**”) and the remaining approximately 65,000 square feet will be used by the Company as warehouse, manufacturing, distribution and administration space in its business as a manufacturer and distributor of cheese and other food products across the United States (the “**Project**”). The Facility will be initially owned, operated and/or managed by the Company.

The Agency will acquire a leasehold interest in the Land and the Improvements and title to the Equipment and will lease and sublease the Facility to the Company. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes and sales and use taxes and abatement of real property taxes on the Facility, all consistent with the policies of the Agency.

4. The hearing officer then opened the hearing for comments from the floor for or against the proposed transfer of real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

5. The hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at _____ a.m./p.m.

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 the minutes of a public hearing held by the Town of Islip Industrial Development Agency (the “**Agency**”) on September __, 2018, at __ a.m., local time, at Town of Islip, Offices of Economic Development, 40 Nassau Avenue, Islip, New York 11751, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

IN WITNESS WHEREOF, I have hereunto set my hand as of September __, 2018.

Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR
AUGUST 21, 2018

AGENDA ITEM # 6

TYPE OF RESOLUTION: INDUCEMENT/AUTHORIZING

COMPANY: US ALLIANCE PAPER, INC.

PROJECT LOCATION: 101 & 111 HEARTLAND BLVD,
EDGEWOOD

JOBS (RETAINED/CREATED): RETAINED - 160 -
CREATE - 001 -

INVESTMENT: \$ N/A

Date: August 21, 2018

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 21st day of August, 2018, 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 a leasehold interest to a certain industrial development facility more particularly described below (U.S. Alliance Paper, Inc. 2018 Facility) and the leasing of the facility to U.S. Alliance Paper, 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 OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF U.S. ALLIANCE PAPER, INC., A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF U.S. ALLIANCE PAPER, 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 AN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS AND MAKING CERTAIN FINDINGS AND DETERMINATIONS

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 may be 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, U.S. Alliance Paper, Inc., a New York business corporation on behalf of itself and/or the principals of U.S. Alliance Paper, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Agency to enter into a transaction in which the Agency will assist in: acquisition of an approximately 10.55 acre parcel of land located at 101 and 111 Heartland Boulevard, Edgewood, New York 11717 (the “**Land**”), and two approximately 80,000 square foot buildings located thereon (the “**Improvements**”, and together with the Land, the “**Facility**”), and which Facility is to be used by the Company for its business as a manufacturer of paper napkins, towels, and facial and bath tissues (the “**Project**”); and

WHEREAS, the Agency will acquire a subleasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of August 1, 2018 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 sub-sublease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of August 1, 2018 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, in the form of abatement of real property taxes on the Facility (as set forth in the PILOT Schedule attached as Exhibit C hereof), all consistent with the policies of the Agency; and

WHEREAS, a public hearing (the “**Hearing**”) was held and notice of the Hearing was given and such notice (together with proof of publication) together with the minutes of the Hearing are in substantially in the form annexed hereto as Exhibits A and B respectively; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transfer of a subleasehold interest or a fee title interest is either an inducement to the Company to maintain and expand the 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 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 Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by 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 Facility by the Agency to the Company; and

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 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, Executive Director or Deputy 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.

(b) The Facility constitutes a “project”, as such term is defined in the Act.

(c) The acquisition of the Facility, and the 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.

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

(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 and all regional and local land use plans for the area in which the Facility is located.

(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) It is desirable and in the public interest for the Agency to sub-sublease the Facility to the Company; and

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

(i) The Lease Agreement will be an effective instrument whereby the Agency sub-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 Agency 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) sublease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sub-sublease the 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 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 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. 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 on the Facility thereon (as set forth in the PILOT Schedule attached as Exhibit C hereof), all consistent with the policies of the Agency.

Section 8. The Company agrees to comply with Section 875 of the Act. The Company further agrees that the abatements provided pursuant to the Act pursuant to this resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement.

Section 9. The form and substance of the Company Lease and the Lease Agreement (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.

(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 11. 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 12. 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 21st day of August, 2018, 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 in all respects duly held.

- IN WITNESS WHEREOF, I have hereunto set my hand as of the 21st day of August, 2018.

By: _____
Assistant Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Title 1 of Article 18-A of the New York State General Municipal Law will be held by the Town of Islip Industrial Development Agency (“the **Agency**”) on the 21st day of August, 2018, at _____ a.m., local time, at 40 Nassau Avenue, Islip, New York 11751 in connection with the following matters:

U.S. Alliance Paper, Inc., a New York business corporation on behalf of itself and/or the principals of U.S. Alliance Paper, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Agency to enter into a transaction in which the Agency will assist in: acquisition of an approximately 10.55 acre parcel of land located at 101 and 111 Heartland Boulevard, Edgewood, New York 11717 (the “**Land**”), and two approximately 80,000 square foot buildings located thereon (the “**Improvements**”, and together with the Land, the “**Facility**”), and which Facility is to be used by the Company for its business as a manufacturer of paper napkins, towels, and facial and bath tissues. The Facility will be initially operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company 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 in connection with the renovation and equipping of the Facility and exemption of real property taxes consistent with the policies of the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: August __, 2018

TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY

By: William G. Mannix
Title: Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
AUGUST __, 2018 AT ____ A.M.

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
(U.S. ALLIANCE PAPER, INC. 2018 FACILITY)

1. _____ of the Town of Islip Industrial Development Agency (the “**Agency**”) called the hearing to order.

2. The _____ then appointed _____, the _____ of the Agency, the hearing officer of the Agency, to record the minutes of the hearing.

3. The hearing officer then described the proposed transfer of the real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility as follows:

U.S. Alliance Paper, Inc., a New York business corporation on behalf of itself and/or the principals of U.S. Alliance Paper, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Agency to enter into a transaction in which the Agency will assist in: acquisition of an approximately 10.55 acre parcel of land located at 101 and 111 Heartland Boulevard, Edgewood, New York 11717 (the “**Land**”), and two approximately 80,000 square foot buildings located thereon (the “**Improvements**”, and together with the Land, the “**Facility**”), and which Facility is to be used by the Company for its business as a manufacturer of paper napkins, towels, and facial and bath tissues. The Facility will be initially operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company 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 in connection with the renovation and equipping of the Facility and exemption of real property taxes consistent with the policies of the Agency

4. The hearing officer then opened the hearing for comments from the floor for or against the proposed transfer of real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

5. The hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at _____.

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 the minutes of a public hearing held by the Town of Islip Industrial Development Agency (the “**Agency**”) on the 20th day of August, 2018, at _____ a.m., local time, at 40 Nassau Avenue, Islip, New York, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

IN WITNESS WHEREOF, I have hereunto set my hand as of August 20, 2018.

Assistant Secretary

EXHIBIT C

Proposed PILOT Benefits

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), Brentwood Union Free School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption

Formula: 10-year abatement starting at 50% of assessed value decreasing 5% annually

Property Address: 101 and 111 Heartland Blvd, Edgewood, New York

Tax Map No.: 0500-134.00-05.00-003.001

Year

| | |
|-----------|--|
| 2019/2020 | 100% Normal Tax Due on 50% of the taxable assessed value |
| 2020/2021 | 100% Normal Tax Due on 55% of the taxable assessed value |
| 2021/2022 | 100% Normal Tax Due on 60% of the taxable assessed value |
| 2022/2023 | 100% Normal Tax Due on 65% of the taxable assessed value |
| 2023/2024 | 100% Normal Tax Due on 70% of the taxable assessed value |
| 2024/2025 | 100% Normal Tax Due on 75% of the taxable assessed value |
| 2025/2026 | 100% Normal Tax Due on 80% of the taxable assessed value |
| 2026/2027 | 100% Normal Tax Due on 85% of the taxable assessed value |
| 2027/2028 | 100% Normal Tax Due on 90% of the taxable assessed value |
| 2028/2029 | 100% Normal Tax Due on 95% of the taxable assessed value |
| 2029/2030 | and beyond 100% Normal Tax on the full assessed value |

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR
AUGUST 21, 2018

AGENDA ITEM # 7

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: 55 PARADISE LANE REALTY, LLC

PROJECT LOCATION: 40 HAROLD COURT (A.K.A. 55
PARADISE LANE), BAY SHORE

JOBS (RETAINED/CREATED): RETAINED - 45 -
CREATE - 35 -

INVESTMENT: \$14,000,000.00

Date: August 21, 2018

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 21st day of August, 2018 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 a leasehold interest in a certain industrial development facility more particularly described below (55 Paradise Lane Realty LLC 2018 Facility) and the leasing of the facility to 55 Paradise Lane 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, CONSTRUCTION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF 55 PARADISE LANE REALTY LLC, A LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF 55 PARADISE LANE REALTY LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING 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, 55 Paradise Lane 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 55 Paradise Lane Realty LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Agency to enter into a transaction in which the Agency will assist in the acquisition of an approximately 10.75 acre parcel of land located at 40 Harold Court, Bay Shore, New York 11706 (the “**Land**”), the construction of an approximately 180,000 square foot building with an approximately 34,560 square foot mezzanine, for a total of 214,560 square feet of leasable space thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company, and subleased by the Company to various future tenants (the “**Tenants**”), for use as warehouse and manufacturing space (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on July 17, 2018 (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 August 1, 2018 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 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 August 1, 2018 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 mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$14,000,000 but not to exceed \$16,000,000 in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$784,875, 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); 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, construction and equipping of the Facility (collectively, the “**Loan Documents**”); and

WHEREAS, the Agency has given due consideration to the application of the Company to the Agency for financial assistance (the “**Application**”), and to representations of the Company therein; 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, construction and equipping 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, construction and equipping 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) It is desirable and in the public interest for the Agency to sublease the Land and the Improvements and to lease the Equipment to the Company; and
- (h) The Company Lease will be an effective instrument whereby the Agency leases the Land and the Improvements from the Company; and
- (i) 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; and
- (j) 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 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 Company Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform

the Lease Agreement, (v) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (vi) 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 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 further authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, constructing and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, constructing 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 in connection with the acquisition, construction 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 \$14,000,000 but not to exceed \$16,000,000 in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$784,875, 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), consistent with the policies of the Agency.

Section 7. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, renovate, construct and equip the 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, construct and equip the 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 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 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 agent of the Agency to acquire, renovate, construct 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 has received exemptions from sales and use taxes in an amount not to exceed \$784,875 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 8. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement. The Company is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Authorizing Resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement.

Section 9. The form and substance of the Company Lease, the Lease 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.

(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, the Lease 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.

(b) The 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 11. 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 12. 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 21st day of August, 2018, 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 21st day of August,
2018.

By: _____
Assistant Secretary

EXHIBIT A

Proposed PILOT Benefits

Formula for In-Lieu-of-Taxes Payment: Town of Islip (including any existing incorporated village and any village which may be incorporated after the date thereof, within which the facility is wholly or partially located), Brentwood School District, Suffolk County and appropriate Special Districts.

Definitions

X = \$228,600

Y = increase in assessment above X resulting from the acquisition, construction and equipping of the Facility

Normal Tax Due = Those payments for taxes and assessments, and other 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 would pay without exemption.

Formula

Year

| | |
|----|---|
| 1 | 100% Normal Tax Due on X and 0% Normal Tax Due on Y |
| 2 | 100% Normal Tax Due on X and 10% Normal Tax Due on Y |
| 3 | 100% Normal Tax Due on X and 20% Normal Tax Due on Y |
| 4 | 100% Normal Tax Due on X and 30% Normal Tax Due on Y |
| 5 | 100% Normal Tax Due on X and 40% Normal Tax Due on Y |
| 6 | 100% Normal Tax Due on X and 50% Normal Tax Due on Y |
| 7 | 100% Normal Tax Due on X and 60% Normal Tax Due on Y |
| 8 | 100% Normal Tax Due on X and 70% Normal Tax Due on Y |
| 9 | 100% Normal Tax Due on X and 80% Normal Tax Due on Y |
| 10 | 100% Normal Tax Due on X and 90% Normal Tax Due on Y |
| 11 | 100% Normal Tax Due on X and 100% Normal Tax Due on Y |

and thereafter

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR
AUGUST 21, 2018

AGENDA ITEM # 8

TYPE OF RESOLUTION: AMENDED AUTHORIZING
RESOLUTION

COMPANY: THE CORNERSTONE AT HAUPPAUGE

PROJECT LOCATION: N/E/C MOTOR PKWY & JOSHUA'S
PATH, HAUPPAUGE

JOBS (RETAINED/CREATED): RETAINED - 00 -
CREATE - 04 -

INVESTMENT: \$22,500,000.00

Date: August 21, 2018

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 21st day of August, 2018, 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 an amendment to an authorizing resolution to a certain industrial development facility more particularly described below (The Cornerstone Hauppauge, LLC 2018 Facility) and the leasing of the facility to The Cornerstone Hauppauge, LLC.

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, DEMOLITION, CONSTRUCTION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF THE CORNERSTONE HAUPPAUGE, LLC, A DELAWARE LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF THE CORNERSTONE HAUPPAUGE, LLC 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, DEMOLISHING, CONSTRUCTING AND EQUIPPING AN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS AND MAKING CERTAIN FINDINGS AND DETERMINATIONS

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 may be 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, by Authorizing Resolution, dated October 24, 2017 (the “**Original Authorizing Resolution**”), the Agency previously approved a project for Terwilliger Bartone Properties LLC, a Delaware limited liability company on behalf of itself and/or the principals of Terwilliger Bartone Properties LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), in which the Agency will assist in the acquisition of an approximately 9.0 acre parcel of land (Tax Map #0500-054.00-01.00-006.001, 007.000, 008.000, 009.000 011.000 & 012.000) located at the northeast corner of Motor Parkway and Joshua’s Path, Hauppauge, New York (the “**Land**”), the demolition of an existing approximately 5,000 square foot building located thereon and the construction of an approximately 108,800 square foot building thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and, together with the Land and the Improvements, the “**Facility**”), which Facility is to be leased by the Agency to the Company and is to be used by the Company as a senior living residential community (the “**Project**”); and

WHEREAS, The Cornerstone Hauppauge, LLC, by letter dated July 31, 2018, notified the Agency of a change in corporate structure of the Company subsequent to the Authorizing Resolution, and further that The Cornerstone Hauppauge, LLC, a Delaware limited liability company on behalf of itself and/or the principals of The Cornerstone

Hauppauge, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (“**The Cornerstone Hauppauge**”), is successor to the Company; and

WHEREAS, in connection therewith, The Cornerstone Hauppauge, submitted its application for financial assistance, dated July 31, 2018 (the “**Amended Application**”), to the Agency; and

WHEREAS, The Cornerstone Hauppauge has requested the Agency to accept its Amended Application and permit The Cornerstone Hauppauge to enter into the straight-lease transaction for the Project, as contemplated by the Original Authorizing Resolution; and

WHEREAS, prior to this Resolution, a public hearing (the “**Hearing**”) was held and notice of the Hearing was given and such notice (together with proof of publication) together with the minutes of the Hearing are in substantially in the form annexed hereto as Exhibits A and B respectively; and

WHEREAS, the Agency has given due consideration to the request of The Cornerstone Hauppauge and to representations by The Cornerstone Hauppauge that the proposed transfer of a leasehold interest or a fee title interest is either an inducement to The Cornerstone Hauppauge to maintain and expand the Facility in the Town of Islip or is necessary to maintain the competitive position of The Cornerstone Hauppauge in its industry; and

WHEREAS, the Agency ratifies and confirms all terms contemplated under the Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents (as defined therein); and

WHEREAS, The Cornerstone Hauppauge 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 Cornerstone Hauppauge; and

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

Section 1. Based upon the representations of the Company, the Project and the related financial assistance is reasonable necessary to preserve the competitive position of the Company in its industry.

Section 2. The Agency hereby amends the Original Authorizing Resolution to amend the definition of Company therein based on the Amended Application submitted to the Agency by The Cornerstone Hauppauge.

Section 3. The Agency hereby ratifies and confirms all terms contemplated by the Original Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents.

Section 4. This amended 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 21st day of August, 2018, 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 in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 21st day of August, 2018.

By: _____
Assistant Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Title 1 of Article 18-A of the New York State General Municipal Law will be held by the Town of Islip Industrial Development Agency ("the **Agency**") on the ____ day of August, 2018, at _____.m., local time, at _____, New York _____ in connection with the following matters:

The Cornerstone Hauppauge, LLC, a limited liability company organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of The Cornerstone Hauppauge, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, 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 9.0 acre parcel of land (Tax Map #0500-054.00-01.00-006.001, 007.000, 008.000, 009.000 011.000 & 012.000) located at the northeast corner of Motor Parkway and Joshua's Path, Hauppauge, New York (the "**Land**"), the demolition of an existing approximately 5,000 square foot building located thereon and the construction of an approximately 108,800 square foot building thereon (the "**Improvements**"), and the acquisition and installation therein of certain equipment and personal property (the "**Equipment**"; and, together with the Land and the Improvements, the "**Facility**"), which Facility is to be leased by the Agency to the Company and is to be used by the Company as a senior living residential community (the "**Project**"). The Facility will be initially owned, operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company 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.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: August __, 2018

TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY

By: William G. Mannix
Title: Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
August __, 2018

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
(THE CORNERSTONE HAUPPAUGE, LLC 2018 FACILITY)

1. _____ of the Town of Islip Industrial Development Agency (the “**Agency**”) called the hearing to order.

2. _____ then appointed _____, the _____ of the Agency, the hearing officer of the Agency, to record the minutes of the hearing.

3. The hearing officer then described the proposed transfer of the real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility as follows:

The Cornerstone Hauppauge, LLC, a limited liability company organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of The Cornerstone Hauppauge, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, 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 9.0 acre parcel of land (Tax Map #0500-054.00-01.00-006.001, 007.000, 008.000, 009.000 011.000 & 012.000) located at the northeast corner of Motor Parkway and Joshua’s Path, Hauppauge, New York (the “**Land**”), the demolition of an existing approximately 5,000 square foot building located thereon and the construction of an approximately 108,800 square foot building thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and, together with the Land and the Improvements, the “**Facility**”), which Facility is to be leased by the Agency to the Company and is to be used by the Company as a senior living residential community (the “**Project**”). The Facility will be initially owned, operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company 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.

4. The hearing officer then opened the hearing for comments from the floor for or against the proposed transfer of real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

5. The hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at _____.

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 the minutes of a public hearing held by the Town of Islip Industrial Development Agency (the “**Agency**”) on the ____ day of August 2018, at _____ .m., local time, at _____, New York, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

IN WITNESS WHEREOF, I have hereunto set my hand as of August __, 2018.

Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR
AUGUST 21, 2018

AGENDA ITEM # 9

TYPE OF RESOLUTION: AMENDED AUTHORIZING
RESOLUTION

COMPANY: BROTHERS DUO 3/SUSA SOCCER

PROJECT LOCATION: 0 CARLETON AVENUE AT DPW
DRIVE, CENTRAL ISLIP

JOBS (RETAINED/CREATED): RETAINED - 52 -
CREATE -10 -

INVESTMENT: \$9,650,000.00

Date: August 21, 2018

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 21st day of August, 2018 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 (Brothers Duo 3, LLC/SUSA Soccer Training, LLC 2018 Facility) and the leasing of the facility to Brothers Duo 3, LLC for further subleasing to SUSA Soccer Training, LLC

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, CONSTRUCTION AND EQUIPPING OF A
CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND
APPROVING THE APPOINTMENT OF BROTHERS DUO 3,
LLC, A NEW YORK LIMITED LIABILITY COMPANY, AND
SUSA SOCCER TRAINING, LLC, A NEW YORK LIMITED
LIABILITY COMPANY, AS AGENT(S) OF THE AGENCY
FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING 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, there was submitted to the Agency a proposal to undertake the providing and leasing of an industrial development facility to Brothers Duo 3, 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 Brothers Duo 3, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**") and SUSA Soccer Training, 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 SUSA Soccer Training, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Sublessee**"), consisting of (a) the acquisition of an approximately 31.87 acre parcel of land located on the west side of Carlton Avenue at DPW Drive, Central Islip, New York (Tax Map NO. 0500-207.00-01.00-p/o lot 4.18) currently owned by the Town of Islip (collectively, the "**Land**"), the construction of approximately five (5) outdoor multipurpose sports fields and the construction of an approximately 10,000 square foot administrative building including, but not limited to, a concession area, locker rooms and associated facilities to be 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) including, but not limited to, soccer goals, turf maintenance equipment, artificial turf systems, office equipment and furnishings, HVAC units, electrical work and field lighting, and grandstand or bleachers (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 the Facility will be further subleased by the Company to the Sublessee; and (b) the acquisition and installation of certain equipment and personal property (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 an outdoor recreational facility to include state-of-the-art outdoor playing fields for youth with concession area, locker rooms and associated facilities (the **“Original Project”**); and

WHEREAS, the Agency by resolution duly adopted on September 19, 2017 (the **“Authorizing Resolution”**), authorized the acquisition, construction and equipping of the Facility and the execution and delivery of the Agency Documents (as defined therein); and

WHEREAS, subsequent to the Original Authorizing Resolution, the Company notified the Agency that the Company had entered into negotiations with the Town of Islip (the **“Town”**) to purchase the Land in place of leasing the Land from the Town and that the Company would lease the Land and the Improvements to the Agency; and

WHEREAS, the Company notified the Agency of its intent to amend its application for assistance dated August 7, 2017 (the **“Application”**), to reflect that the Company had entered into negotiations with the Town of Islip (the **“Town”**) to purchase the Land in place of leasing the Land from the Town and the Project description is as follows: (a) the acquisition of an approximately 19.53 acre parcel of land located on the west side of Carlton Avenue and the north side of DPW Drive, Central Islip, New York and an approximately 3.3 acre parcel of land located on the west side of Carlton Avenue and the south side of DPW Drive, Central Islip, New York, for a total of approximately 22.83 acres of land currently owned by the Town of Islip (collectively, the **“Land”**), the construction of approximately five (5) outdoor multipurpose sports fields and the construction of an approximately 4,000 square foot administrative building including, but not limited to, a concession area, locker rooms and associated facilities to be 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) including, but not limited to, soccer goals, turf maintenance equipment, artificial turf systems, office equipment and furnishings, HVAC units, electrical work and field lighting, and grandstand or bleachers (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 will be further subleased by the Company to the Sublessee; and (b) the acquisition and installation of certain equipment and personal property (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 an outdoor recreational facility to include state-of-the-art outdoor playing fields for youth with concession area, locker rooms and associated facilities (the **“Project”**); and

WHEREAS, the Agency intends to amend its Authorizing Resolution in order to reflect (i) the Company will be purchasing the Land from the Town, (ii) the revision of the Project description, and (iii) the term of the proposed PILOT (as defined in the Lease Agreement) will now be for a term of up to 20 years, as shown on Exhibit A attached hereto; and

WHEREAS, the Agency ratifies and confirms all terms contemplated under the Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents (as defined therein); 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 transaction contemplated in the Authorizing Resolution, as amended by this Amended Authorizing Resolution; and

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

Section 1. The Agency hereby amends the Authorizing Resolution to (i) provide that the Company will be purchasing the Land from the Town, (ii) revise the Project description; and (iii) amend the term of the proposed PILOT (as defined in the Lease Agreement) to be for a term of up to 20 years.

Section 2. The Agency hereby ratifies and confirms all terms contemplated by the Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents.

Section 3. This amended 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 21st day of August, 2018, 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 21st day of August, 2018.

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 School District, Suffolk County and Appropriate Special Districts

Tax Rate will be fixed at current rate for 2017/2018 Tax Year throughout the term of the PILOT

| <u>Year</u> | <u>PILOT Payment</u> |
|-------------|---|
| 1 | \$50,000 prorated based on PILOT commencement date |
| 2 | \$50,000 |
| 3 | \$50,000 |
| 4 | \$50,000 |
| 5 | \$50,000 |
| 6 | 100% Tax on the Full Assessed Value ("AV") of the Land, 0% Tax on the buildings, structures and Improvements. |
| 7 | 100% Tax on the AV of the Land, 0% Tax on the buildings, structures and Improvements. |
| 8 | 100% Tax on the AV of the Land, 0% Tax on the buildings, structures and Improvements. |
| 9 | 100% Tax on the AV of the Land, 0% Tax on the buildings, structures and Improvements. |
| 10 | 100% Tax on the AV of the Land, 0% Tax on the buildings, structures and Improvements. |
| 11 | 100% Tax on the AV of the Land, 0% Tax on the buildings, structures and Improvements. |
| 12 | 100% Tax on the AV of the Land, 10% Tax on the buildings, structures and Improvements. |
| 13 | 100% Tax on the AV of the Land, 20% Tax on the buildings, structures and Improvements. |
| 14 | 100% Tax on the AV of the Land, 30% Tax on the buildings, structures and Improvements. |
| 15 | 100% Tax on the AV of the Land, 40% Tax on the buildings, structures and Improvements. |
| 16 | 100% Tax on the AV of the Land, 50% Tax on the buildings, structures and Improvements. |
| 17 | 100% Tax on the AV of the Land, 60% Tax on the buildings, structures and Improvements. |
| 18 | 100% Tax on the AV of the Land, 70% Tax on the buildings, structures and Improvements. |
| 19 | 100% Tax on the AV of the Land, 80% Tax on the buildings, structures and Improvements. |
| 20 | 100% Tax on the AV of the Land, 90% Tax on the buildings, structures and Improvements. |
| 21 | Full Taxation |

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR
AUGUST 21, 2018

AGENDA ITEM # 10

TYPE OF RESOLUTION: RESOLUTION TO AUTHORIZE AN
AGREEMENT

COMPANY: (CGR) CENTER FOR GOVERNMENTAL RESEARCH,
INC.

PROJECT LOCATION: ONE SOUTH WASHINGTON STREET,
ROCHESTER

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

INVESTMENT: \$ N/A

August 21, 2018

WHEREAS, the Town of Islip Industrial Development Agency (IDA) is required by NYS Law to conduct a cost benefit analysis for all proposed IDA projects, and

WHEREAS, the Center for Governmental Research (CGR) has developed a web based economic impact modeling tool known as INFORM ANALYTICS that can be used for cost benefit analysis purposes, and

WHEREAS, INFORM ANALYTICS requires web hosting and ongoing maintenance including regular updates to the baseline parameters, and

WHEREAS, CGR is willing to provide hosting and maintenance services to the Town of Islip IDA;

NOW, THEREFORE, on a motion of _____, seconded by

_____ ; be it approved

RESOLVED, that the Chairperson of the Agency, or her designee, is hereby authorized to enter into a contract with the Center for Governmental Research to host and maintain the economic impact model known as INFORM ANALYTICS, allowing it to be continuously available to the Town of Islip IDA for the duration of the contract.

UPON a vote being taken the result was:

HOSTING AND MAINTENANCE AGREEMENT - InformAnalytics

This Agreement is made effective as of 1/1/2018, by and between CGR (Center for Governmental Research Inc.), of One South Washington Street, Suite 400, Rochester, NY 14614 and Town of Islip IDA, 40 Nassau Avenue, Islip, NY 11751.

In this Agreement, the party who is contracting to receive services shall be referred to as "Town of Islip IDA", and the party who will be providing the services shall be referred to as "CGR."

Whereas CGR has developed an economic impact modeling software tool that requires web hosting and ongoing maintenance, including updates to the baseline data parameters, and

Whereas CGR is willing to provide hosting and maintenance services to Town of Islip IDA.

Therefore, CGR proposes the following agreement with Town of Islip IDA to facilitate the use, web hosting and maintenance of InformAnalytics:

Section 1. DESCRIPTION OF SERVICES

Between January 1, 2018 and December 31, 2018, CGR will provide the following services (collectively, the "Services"):

- CGR will host InformAnalytics on its data servers allowing the model to be continuously available to Town of Islip IDA for the duration of the agreement.
- CGR will update the economic impact software with the most current/relevant data parameters once during the duration of the agreement.
- CGR will provide technical assistance on the software and/or questions related to the application of the software for up to but not to exceed 2 hours for the duration of the agreement. Additional support will be billed at current CGR hourly rates.

Section 2. PAYMENT

Town of Islip IDA will pay CGR \$875 (Eight Hundred Seventy-five Dollars) for the contract year for the services described in section 1.

Section 3. PAYMENT TERMS

CGR payment terms are net 10 days after the agreement is signed.

Section 4. NOTICES

All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid addressed as follows:

If for CGR:

Joseph Stefko
President and CEO
One South Washington Street, Suite 400
Rochester, NY 14614

If for Town of Islip IDA:

Mr. William Mannix
Executive Director
40 Nassau Avenue
Islip, NY 11751

Such addresses may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

Section 5. ENTIRE AGREEMENT

This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written.

This Agreement supersedes any prior written or oral agreements between the parties.

Section 6. AMENDMENT

This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

Section 7. SEVERABILITY

If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court

finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

Section 8. WAIVER OF CONTRACTUAL RIGHT

The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

Section 9. APPLICABLE LAW

This Agreement shall be governed by the laws of the State of New York.

Party Providing Services

CGR

Joseph Stefko
President and CEO

Date

Party Receiving Services

Town of Islip IDA

Mr. William Mannix
Executive Director

Date