



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

December 15, 2020

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 **November 17, 2020**.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **100 Windsor Properties/AVCO Industries**. Located at 100 Windsor Place, Central Islip. (0500-0100-0200-081003).
4. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **TREC Bay Shore**. (0500-39300-0300-021001).
5. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **Nassau Provisions Kosher Foods, Inc.** Located at 700 Furows Road, Holtsville. (0500-06900-0300-001002).
6. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **NAI Associates, LLC/North Atlantic Industries, Inc.** Located at 116 Wilbur Place, Bohemia. (0500-19100-0300-001002).
7. To consider the adoption of a Resolution between the Town of Islip Industrial Development Agency requesting a tenant consent for **267 Carleton, LLC/AV Carleton, LLC 2019 Facility**. Located at 267 Carleton Ave, Central Islip. (0500-20700-0100-004017).
8. To consider the adoption of a Resolution to authorize awarding of grant funds to various businesses under the **Covid-19 Grant & Loan Program**.
9. To consider the adoption of a Resolution Authorizing Assignment and Assumption of **55 Paradise Lane Realty, LLC**. Located at 40 Harold Court, Bay Shore. (0500-18100-0300-052007).
10. To consider the adoption of a Resolution Authorizing Assignment and Assumption of **Paradise Lane Realty, LLC/Rubies Costumes, Inc. Facility**. Located at 158 Candlewood Road, Bay Shore. (0500-18100-0200-043003).
11. To consider the adoption of a Resolution Authorizing Refinancing for the **50 Gilpin Corp./Above All Storefronts, Inc. Facility**. Located at 50 Gilpin Avenue, Hauppauge. (0500-03800-0200-017000).
12. To consider the adoption to Amend a Resolution Authorizing Assignment and Mortgage Financing for the **Cornerstone Hauppauge, LLC Facility**. Located at Motor Parkway & Joshua's Path, Hauppauge. (0500-05400-0100-006001, 007000, 008000, 009000, 011000 & 012000).
13. To consider **any other business** to come before the Agency.



MEETING OF THE TOWN OF ISLIP

INDUSTRIAL DEVELOPMENT AGENCY

Date: November 17, 2020

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 C. Cochrane Jr., said motion was approved 5-0.

Chairwoman Angie M. Carpenter, Councilwoman Trish Bergin Weichbrodt, Councilman John C. Cochrane Jr., Councilwoman Mary Kate Mullen, Councilman James P. O'Connor were all 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 **October 20, 2020**. On a motion by Councilman John C. Cochrane Jr., and seconded by Councilman James P. O'Connor, said motion was approved 5-0.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **North Atlantic Industries Associates, LLC**. Located at 116 Wilbur Place, Bohemia. (0500-19100-0200-065003). On a motion by Councilman John C. Cochrane Jr., and seconded by Councilman James P. O'Connor, said motion was approved 5-0.
4. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Nassau Provisions Kosher Foods, Inc.** Located at 700 Furrows Road, Holtsville. (0500-06900-0300-001002). On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman James P. O'Connor, said motion was approved 5-0.
5. To consider the adoption of an Authorizing Resolution consenting to the Assignment/Assumption of the **Cornerstone at Hauppauge Facility**. Located at the northeast corner of Motor Parkway and Joshua's Path, Hauppauge. (0500-05400-0100-006001, 007000, 008000, 009000, 011000 & 012000). On a motion by Councilman John C. Cochrane Jr., and seconded by Councilwoman Mary Kate Mullen, said motion was approved 5-0.
6. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **EB at Vets Hwy, LLC**. Located at 3355 Veterans Memorial Highway, Ronkonkoma. (0500-14700-0200-028000 & 29001). On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilwoman Mary Kate Mullen, said motion was approved 5-0.

7. To consider the adoption of a Resolution Authorizing refinancing for the **Wilshire Blvd. LLC/Alcan Packaging Food and Tobacco Inc. 2007 Facility**. Located at 100 Wilshire Boulevard, Edgewood. (0500-13300-0900-001001). On a motion by Councilman John C. Cochrane Jr., and seconded by Councilman James P. O'Connor, said motion was approved 5-0.
8. To consider the adoption of a Resolution approving **Capital Advanced Group Inc.** as Tenant in the Sunrise Business Center Facility. Located at 3500 Sunrise Highway, Great River. (0500-211-00100-005006). On a motion by Councilman James P. O'Connor and seconded by Councilwoman Mary Kate Mullen, said motion was approved 5-0.
9. To consider the adoption of a Resolution Authorizing a transfer of ownership of the Real Estate for **Hilo Equipment and Services, LLC**. Located at 845 South First Street, Ronkonkoma. (0500-08600-0400-007001). On a motion by Councilman James P. O'Connor and seconded by Councilman John C. Cochrane Jr., said motion was approved 5-0.
10. To consider the adoption of a Resolution requesting consent to execution of mortgage, no mortgage recording tax benefits requested between the Town of Islip Industrial Development Agency and **B & S Management Consultant, LLC**. Located at 25 Ranick Road, Hauppauge. (0500-02300-0200-0200, 009003). On a motion by Councilwoman Mary Kate Mullen and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved 5-0.
11. To consider the adoption of a Resolution to authorize awarding of grant funds to various businesses under the **Covid-19 Grant & Loan Program**. On a motion by Councilman John C. Cochrane Jr., and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved 5-0.
12. To consider **any other business** to come before the Agency there being none the Town of Islip Industrial Development Agency was adjourned on a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman James P. O'Connor.

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 15, 2020

AGENDA ITEM #3

TYPE OF RESOLUTION: INDUCEMENT RESOLUTION

COMPANY: 100 WINDSOR PROPERTIES/AVCO INDUSTRIES

PROJECT LOCATION: 100 WINDSOR PLACE, CENTRAL ISLIP

JOBS (RETAINED/CREATED): RETAINED - 00 -
CREATE - 50 -

INVESTMENT: \$4,500,000.00

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING 100 WINDSOR PROPERTIES LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF 100 WINDSOR PROPERTIES LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND AVCO INDUSTRIES INC., A NEW YORK BUSINESS CORPORATION ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF AVCO INDUSTRIES 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, CONSTRUCTING AND EQUIPPING THE FACILITY AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY

WHEREAS, 100 Windsor Properties 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 100 Windsor Properties LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**") and Avco Industries 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 Avco Industries 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 the acquisition of an approximately 3.22 acre parcel of land located at 100 Windsor Place, Central Islip, New York (the "**Land**"), (i) the renovation of an existing approximately 8,000 square foot building located thereon (the "**Existing Building**"), and (ii) the construction of an approximately 40,000 square foot addition to the Existing Building to be located on the Land (the "**Addition**"; and, together with the Existing Building, 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 the Company Facility will be 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 for warehousing and distribution in its business of branding and printing paper and corrugated products and takeout paper products (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 of the Company Facility 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, 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 prepared a cost/benefit analysis with respect to the proposed 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 will agree 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, construction, 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, construction 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, construct 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 are hereby notified that they 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 Sublessee shall be required to agree to the terms of Section 875 pursuant to the Agency Compliance Agreement, dated a date to be determined (the “**Agency Compliance Agreement**”), by and between the Sublessee and the Agency. The Company and the Sublessee are further notified 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 Agreement and the Agency Compliance 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 transfer of the real estate described in the foregoing resolution.

Section 6. The Chairman, the 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. 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 Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, on the 15th day of December, 2020, the following members of the Agency 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency's Board Meeting on December 15, 2020 (the "**Board Meeting**"), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency's website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency's website, and 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 December 15, 2020.

Assistant Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Public Hearing scheduled for _____, 20__, at __:__ a.m., local time will be held by the Town of Islip Industrial Development Agency electronically via conference call in connection with the following matters:

100 Windsor Properties 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 100 Windsor Properties LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**") and Avco Industries 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 Avco Industries 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 the acquisition of an approximately 3.22 acre parcel of land located at 100 Windsor Place, Central Islip, New York (the "**Land**"), (i) the renovation of an existing approximately 8,000 square foot building located thereon (the "**Existing Building**"), and (ii) the construction of an approximately 40,000 square foot addition to the Existing Building to be located on the Land (the "**Addition**"; and, together with the Existing Building, 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 the Company Facility will be 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 for warehousing and distribution in its business of branding and printing paper and corrugated products and takeout paper products (the "**Project**"). The Company Facility will be owned by the Company and managed and/or operated by the Sublessee. 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 acquisition, renovation, construction 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. Members of the public may listen to the Public Hearing and comment on the Project and the benefits to be granted to the Company and the Sublessee by the Agency during the Public

Hearing by calling (631) 490-9050, conference number 1040, and entering password 24816. Comments may also be submitted to the Agency in writing or electronically. Minutes of the Public Hearing will be transcribed and posted on the Agency's website. Prior to the hearing, all persons will have the opportunity to review on the Agency's website (<https://islipida.com/>) 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: _____, 20____

TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY

By: John G. Walser
Title: Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
_____, 20__ at _____ A.M.

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
(100 WINDSOR PROPERTIES LLC/AVCO INDUSTRIES 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:

100 Windsor Properties 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 100 Windsor Properties LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) and Avco Industries 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 Avco Industries 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 the acquisition of an approximately 3.22 acre parcel of land located at 100 Windsor Place, Central Islip, New York (the “**Land**”), (i) the renovation of an existing approximately 8,000 square foot building located thereon (the “**Existing Building**”), and (ii) the construction of an approximately 40,000 square foot addition to the Existing Building to be located on the Land (the “**Addition**”; and, together with the Existing Building, 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 the Company Facility will be 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 for warehousing and distribution in its business of branding and printing paper and corrugated products and takeout paper products (the “**Project**”). The Company Facility will be owned by the Company and managed and/or operated by the Sublessee. 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 acquisition, renovation, construction 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 _____, 20__, at _____ a.m., local time, by calling (631) 490-9050, conference number 1040, and entering password 24816, 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 _____, 20__.

Assistant Secretary

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 15, 2020**

AGENDA ITEM #4

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: TREC BAY SHORE, LLC.

PROJECT LOCATION: 1700 UNION BLVD, BAY SHORE

JOBS (RETAINED/CREATED): RETAINED - 00 -
CREATE - 09 -

INVESTMENT: \$165,629,800.00

Date: December 15, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, on the 15th day of December, 2020, 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 (TREC Bay Shore, LLC 2020 Facility) and the subleasing of the facility to TREC Bay Shore, 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 TREC BAY SHORE, LLC, A DELAWARE LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF TREC BAY SHORE, 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, TREC Bay Shore, 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 TREC Bay Shore, 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 10.34 acre parcel of land located at 1700 Union Boulevard, Bay Shore, New York 11706 (SCTM# 0500-393.00-03.00-021.001) (the “**Land**”), the demolition of an approximately 83,556 square foot building located thereon, the construction of an approximately 474,923 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 will be leased by the Agency to the Company and to be used as a mixed-use multifamily apartment complex containing approximately 418 studio, one-bedroom, two-bedroom and three-bedroom rental apartments and approximately 1,643 square feet of food-service space (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on October 20, 2020 (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 December 1, 2020 or such other date as the Chairman, the Executive Director or the Deputy Executive Director

of the Agency and counsel to the Agency shall agree (the "**Company Lease**"), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the 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 Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of December 1, 2020 or such other date as the Chairman, the Executive Director or the Deputy Executive Director of the Agency and counsel to the Agency shall agree (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in the form of abatements of real property taxes, which abatement shall be for a term in excess of ten (10) years, consistent with the policies of the Agency, including provisions of the policies providing for deviation therefrom; and

WHEREAS, the requested financial assistance with respect to the abatement of real property taxes deviates from the Agency's Uniform Tax Exemption Policy (the "**Policy**") originally adopted in or around December, 1993, as previously amended, because the abatement of real property taxes granted pursuant to the proposed Lease Agreement will be for a term in excess of ten (10) years and the Project is considered extremely significant and vital to the economic health and well-being of the Town of Islip (the "**Town**"), therefore deviation from the Policy is appropriate; and

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

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$132,500,000 but not to exceed \$145,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$993,750.00 but not to exceed \$1,087,500.00, 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 of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$6,898,772.00, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency; and

WHEREAS, the Agency has required the Company to provide to the Agency a feasibility report (the “**Feasibility Study**”), together with such letters or reports from interested parties and governmental agencies or officials (the “**Letters of Support**”; and together with the Feasibility Study, the “**Requisite Materials**”) to enable the Agency to make findings and determinations that the Facility qualifies as a “project” under the Act and that the Facility satisfies all other requirements of the Act, and such Requisite Materials are listed below and attached as Exhibit C to the Inducement Resolution:

1. TREC Bay Shore, LLC: Economic Impact Analysis, dated October, 2020 by Camoin Associates;
2. TREC Bay Shore, LLC: Impacts at a Glance, by Camoin Associates;
3. Cost Benefit Analysis: TREC Bay Shore, LLC, dated October 8, 2020 by The National Development Council;
4. Letters of Support;
5. New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.; and
6. Ryan et al. v. Town of Hempstead Industrial Development Agency et al.; and

WHEREAS, the Agency’s Uniform Tax Exemption Policy (“**UTEP**”), which such UTEP is annexed to the Inducement Resolution as Exhibit D, provides for the granting of financial assistance by the Agency for housing projects pursuant to Section I.A.4.; and

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

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

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

Section 1. In connection with the acquisition, construction and equipping of the Facility the Agency hereby makes the following determinations and findings based upon the Agency’s review of the information provided by the Company with respect to the Facility, including, the Company’s Application, the Requisite Materials and other public information:

(a) There is a lack of affordable, safe, clean and modern rental housing in the Town of Islip;

(b) Such lack of rental housing has resulted in individuals leaving the Town of Islip and therefore adversely affecting employers, businesses, retailers, banks, financial institutions,

insurance companies, health and legal services providers and other merchants in the Town of Islip and otherwise adversely impacting the economic health and well-being of the residents of the Town of Islip, employers, and the tax base of the Town of Islip;

(c) The Facility, by providing such rental housing will enable persons to remain in the Town of Islip and thereby to support the businesses, retailers, banks, and other financial institutions, insurance companies, health care and legal services providers and other merchants in the Town of Islip which will increase the economic health and well-being of the residents of the Town of Islip, help preserve and increase permanent private sector jobs in furtherance of the Agency's public purposes as set forth in the Act, and therefore the Agency finds and determines that the Facility is a commercial project within the meaning of Section 854(4) of the Act;

(d) The Facility will provide services, i.e., rental housing, which but for the Facility, would not otherwise be reasonably accessible to the residents of the Town of Islip.

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, construction and equipping of the Facility, and the leasing 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, construction and equipping of the Facility by the Agency is reasonably necessary to induce the Company to maintain and expand its business operations in the Town of Islip.

(e) The requested financial assistance with respect to the abatement of real property taxes deviates from the Policy because the abatement of real property taxes granted pursuant to the proposed Lease Agreement will be for a term in excess of ten (10) years and the Project is considered extremely significant and vital to the economic health and well-being of the Town, therefore deviation from the Policy is appropriate; and

(f) 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.

(g) It is desirable and in the public interest for the Agency to lease the Facility to the Company.

(h) The Agency previously determined, pursuant to the Inducement Resolution, that 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 (“SEQR”), thus completing its review of the Facility under SEQR. No changes have been proposed to the Facility since the time the Agency adopted its Negative Declaration, and therefore, the Agency’s obligations under SEQR have been completed.

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

(j) 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 Agency may recapture some or all of the benefits granted to the Company.

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

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

Section 4. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sublease and lease the Facility to the Company pursuant to the Lease Agreement, (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 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 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 7. 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 \$132,500,000 but not to exceed \$145,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$993,750.00 but not to exceed \$1,087,500.00, 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 of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$6,898,772.00, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency.

Section 8. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, 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, construct and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, 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, 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 \$6,898,772.00 in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time. The aforesaid appointment of the Company is subject to the execution of the documents contemplated by this resolution.

Section 9. The Company 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 10. 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 11. 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.

Section 12. 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 13. 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 14. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 15th day of December, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on December 15, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and 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 15th day of December, 2020.

By: _____
Assistant Secretary

EXHIBIT A

Proposed PILOT Benefits

Formula 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), Bay Shore Union Free School District, Suffolk County and Appropriate Special Districts

Formula

<u>Year</u>	<u>PILOT Payment</u>
1	\$115,701.00
2	\$115,701.00
3	\$115,701.00
4	\$287,446.00
5	\$459,190.00
6	\$630,935.00
7	\$802,680.00
8	\$974,425.00
9	\$1,146,169.00
10	\$1,317,914.00
11	\$1,489,659.00
12	\$1,661,404.00
13	\$1,833,148.00
14	\$2,004,893.00
15	\$2,176,638.00

Company to pay \$115,701.00 during Construction Period. PILOT Payments to commence in Tax Year following Company's receipt of Certificate of Occupancy.

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 15, 2020**

AGENDA ITEM #5

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: NASSAU PROVISIONS KOSHER FOODS, INC.

PROJECT LOCATION: 700 FURROWS RD, HOLTSVILLE

JOBS (RETAINED/CREATED): RETAINED - 90 -
CREATE - 10 -

INVESTMENT: \$17,965,000

Date: December 15, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, on the 15th day of December, 2020, 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 (700 Furrows LLC/Nassau Provisions Kosher Foods Inc. 2020 Facility).

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 TAKING OFFICIAL ACTION TOWARD 700 FURROWS LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF 700 FURROWS LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND NASSAU PROVISIONS KOSHER FOODS INC., A NEW YORK BUSINESS CORPORATION ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF NASSAU PROVISIONS KOSHER FOODS 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 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, 700 Furrows 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 700 Furrows LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), and Nassau Provisions Kosher Foods 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 Nassau Provisions Kosher Foods Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), have applied to the Agency to enter into a transaction in which the Agency will assist in: (a) the acquisition of an approximately 11.25 acre parcel of land located at 700 Furrows Road, Holtsville, New York 11742 (the “**Land**”), the renovation of an approximately 11,000 square foot portion of an approximately 125,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation 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 (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 leased by the Agency to the Company and used by the Company in the distribution of frozen and refrigerated foods and groceries (the “**Project**”); and

WHEREAS, the Project will be subject to a reverse 1031 exchange, and the Company will initially be owned and controlled by a qualified exchange company to be determined (the “**Exchange Agent**”), and within 180 days following the acquisition by the Company of the Facility, the membership interests in the Company will be transferred by the Exchange Agent to Buffalo Ave 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 Buffalo Ave LLC and/or an entity formed or to be formed on behalf of any of the foregoing, as the sole member of the Company; and

WHEREAS, the Agency, by resolution duly adopted on November 17, 2020 (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 and title to the Facility Equipment and the Equipment, and will sublease and lease the Company Facility to the Company for further sublease to the Sublessee, and will lease the Equipment to the Sublessee; 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 December 1, 2020, or such other date as the Chairman or the Executive Director of the Agency and counsel to the Agency shall agree (the “**Company Lease**”), by and between the Company and the Agency; and

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

WHEREAS, the Agency will sublease and lease the Company Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of December 1, 2020 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**Lease Agreement**”), by and between the Agency and the Company; and

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

WHEREAS, the Agency will lease the Equipment to the Sublessee pursuant to a certain Equipment Lease Agreement, dated as of December 1, 2020 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**Equipment Lease Agreement**”), by and between the Agency and the Sublessee; and

WHEREAS, the Sublessee and the Agency will enter into a certain Agency Compliance Agreement, dated as of December 1, 2020, or such other date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**Agency Compliance Agreement**”), whereby the Sublessee will provide certain assurances to the Agency with respect to the Facility; and

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

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$16,250,000 but not to exceed \$19,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$121,875, but not to exceed \$142,500, in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility (ii) exemptions from sales and use taxes in an approximate amount not to exceed \$193,200.00, 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, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed transaction is necessary to maintain the competitive position of the Company and the Sublessee in their respective industries; and

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

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

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

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

(c) The Facility preserves the public purposes of the Act by preserving or increasing the number of permanent private sector jobs in the Town of Islip. The Company and the Sublessee have represented to the Agency that they intend to provide ninety (90) full-time employees within the first year after completion of the Facility; and

(d) The acquisition, renovation and equipping of the Facility, the leasing of the Company Facility to the Company for further subleasing to the Sublessee, and the leasing of

the Equipment to the Sublessee, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(e) The acquisition, renovation and equipping of the Facility by the Agency is reasonably necessary to induce the Company and the Sublessee to maintain and expand their respective business operations in the Town of Islip; and

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

(g) It is desirable and in the public interest for the Agency to sublease the Land and the Improvements and to lease the Facility Equipment to the Company and to lease the Equipment to the Sublessee; 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 Company Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agreement may recapture some or all of the benefits granted to the Company; and

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

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

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

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

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

the Lease Agreement, (v) lease the Equipment to the Sublessee pursuant to the Equipment Lease Agreement, (vi) execute, deliver and perform the Equipment Lease Agreement, (vii) execute and deliver the Agency Compliance Agreement, (viii) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (ix) execute and deliver the Loan Documents to which the Agency is a party.

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

Section 5. The Agency is hereby authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, renovating, and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating, and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company and the Sublessee in connection with the acquisition, renovation and equipping of the Facility in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$16,250,000 but not to exceed \$19,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$121,875, but not to exceed \$142,500, in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility (ii) exemptions from sales and use taxes in an approximate amount not to exceed \$193,200.00, 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).

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

indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company and the Sublessee, as agents of the Agency. The aforesaid appointment of the Company and the Sublessee as agents of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company and the Sublessee have received exemptions from sales and use taxes in an amount not to exceed \$193,200.00, in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company and/or the Sublessee, if such activities and improvements are not completed by such time. The aforesaid appointment of the Company and the Sublessee is subject to the execution of the documents contemplated by this resolution.

Section 8. The Company and the Sublessee are hereby notified that they will be required to comply with Section 875 of the Act. The Company and the Sublessee shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement and the Agency Compliance Agreement. The Company and the Sublessee are further notified 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 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 and the Agency Compliance Agreement.

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

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

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

Section 12. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 13. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 15th day of December, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended and extended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on December 15, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and 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 December 15, 2020.

By: _____
Assistant Secretary

EXHIBIT A

Proposed PILOT Benefits

Formula 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), Sachem School District, Suffolk County and Appropriate Special Districts

Address – 700 Furrows Road, Holtsville, Town of Islip,
Suffolk County, New York

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.

<u>Tax Year</u>	<u>PILOT Payments</u>
1	50% Normal Tax Due on the taxable assessed value
2	55% Normal Tax Due on the taxable assessed value
3	60% Normal Tax Due on the taxable assessed value
4	65% Normal Tax Due on the taxable assessed value
5	70% Normal Tax Due on the taxable assessed value
6	75% Normal Tax Due on the taxable assessed value
7	80% Normal Tax Due on the taxable assessed value
8	85% Normal Tax Due on the taxable assessed value
9	90% Normal Tax Due on the taxable assessed value
10	95% Normal Tax Due on the taxable assessed value
And thereafter: 100% Normal Tax Due on the full taxable assessed value	

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 15, 2020

AGENDA ITEM #6

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: NAI ASSOCIATES, LLC/NORTH ATLANTIC INDUSTRIES, INC.

PROJECT LOCATION: 116 WILBUR PLACE, BOHEMIA

JOBS (RETAINED/CREATED): RETAINED - 193 -
CREATE - 050 -

INVESTMENT: \$17,597,876.00

Date: December 15, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, on the 15th day of December, 2020, 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 (NAI Associates, LLC/North Atlantic Industries, Inc. 2020 Facility).

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 TAKING OFFICIAL ACTION TOWARD NAI ASSOCIATES, LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF NAI ASSOCIATES, LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND NORTH ATLANTIC INDUSTRIES, INC., A NEW YORK BUSINESS CORPORATION ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF NORTH ATLANTIC INDUSTRIES, 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 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, NAI Associates, 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 NAI Associates, LLC and/or an entity formed or to be formed on behalf of any of the foregoing, including the Exchange Company (as defined below, collectively, the “**Company**”), and North Atlantic Industries, 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 North Atlantic Industries, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), have applied to the Agency to enter into a transaction in which the Agency will assist in: (a) the acquisition of an approximately 6.11 acre parcel of land located at 116 Wilbur Place, Bohemia, New York (the “**Land**”), the renovation of an approximately 90,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation 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 (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 space for design engineering, assembly

and test process of electronics for aerospace/defense markets and as space for intern and training programs in its business as a designer and manufacturer of electronic systems used commonly in aircraft, land and sea vessels (the “**Project**”); and

WHEREAS, the Company may elect to subject the Project to a reverse 1031 exchange, in which an entity will be created on behalf of the Company (the “**Exchange Company**”) to take title to the Company Facility and sublease the Company Facility to the Sublessee, which Exchange Company will initially be owned and controlled by a qualified exchange company to be determined (the “**Exchange Agent**”), and within 180 days following the acquisition by the Company of the Facility, the membership interests in the Exchange Company will be transferred by the Exchange Agent to the Company, as the sole member of the Exchange Company; and

WHEREAS, the Agency, by resolution duly adopted on November 17, 2020 (the “**Inducement Resolution**”), decided to proceed under the provisions of the Act; an

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Facility Equipment and the Equipment, and will sublease and lease the Company Facility to the Company for further sublease to the Sublessee, and will lease the Equipment to the Sublessee; 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 December 1, 2020, or such other date as the Chairman or the Executive Director of the Agency and counsel to the Agency shall agree (the “**Company Lease**”), by and between the Company and the Agency; and

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

WHEREAS, the Agency will sublease and lease the Company Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of December 1, 2020 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**Lease Agreement**”), by and between the Agency and the Company; and

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

WHEREAS, the Agency will lease the Equipment to the Sublessee pursuant to a certain Equipment Lease Agreement, dated as of December 1, 2020 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**Equipment Lease Agreement**”), by and between the Agency and the Sublessee; and

WHEREAS, the Sublessee and the Agency will enter into a certain Agency Compliance Agreement, dated as of December 1, 2020, or such other date as may be

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

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

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$11,300,000 but not to exceed \$14,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$84,750, but not to exceed \$105,000, in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility (ii) exemptions from sales and use taxes in an approximate amount not to exceed \$422,625.00, 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, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed transaction is necessary to maintain the competitive position of the Company and the Sublessee in their respective industries; and

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

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

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

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

(c) The Facility preserves the public purposes of the Act by preserving or increasing the number of permanent private sector jobs in the Town of Islip. The Company and the Sublessee have represented to the Agency that they intend to provide one hundred

ninety-four (194) full-time employees within the first year after completion of the Facility; and

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

(e) The acquisition, renovation and equipping of the Facility by the Agency is reasonably necessary to induce the Company and the Sublessee to maintain and expand their respective business operations in the Town of Islip; and

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

(g) It is desirable and in the public interest for the Agency to sublease the Land and the Improvements and to lease the Facility Equipment to the Company and to lease the Equipment to the Sublessee; 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 Company Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agreement may recapture some or all of the benefits granted to the Company; and

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

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

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

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

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sublease and lease the Company Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) lease the Equipment to the Sublessee pursuant to the Equipment Lease Agreement, (vi) execute, deliver and perform the Equipment Lease Agreement, (vii) execute and deliver the Agency Compliance Agreement, (viii) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (ix) execute and deliver the Loan Documents to which the Agency is a party.

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

Section 5. The Agency is hereby authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, renovating, and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating, and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company and the Sublessee in connection with the acquisition, renovation and equipping of the Facility in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$11,300,000 but not to exceed \$14,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$84,750, but not to exceed \$105,000, in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility (ii) exemptions from sales and use taxes in an approximate amount not to exceed \$422,625.00, 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).

Section 7. Subject to the provisions of this resolution, the Company and the Sublessee are herewith and hereby appointed the agents of the Agency to acquire, renovate and equip the Facility. The Company and the Sublessee are hereby empowered to delegate their respective status as agents of the Agency to their respective agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company and the Sublessee may choose in order to acquire, renovate and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company and the Sublessee as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialman, vendor or supplier, and the Company and the Sublessee, as agents of the Agency, shall be deemed to

be on behalf of the Agency and for the benefit of the Facility. This agency appointment expressly excludes the purchase by the Company or the Sublessee of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The Company and the Sublessee shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company and the Sublessee, as agents of the Agency. The aforesaid appointment of the Company and the Sublessee as agents of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company and the Sublessee have received exemptions from sales and use taxes in an amount not to exceed \$422,625.00, in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company and/or the Sublessee, if such activities and improvements are not completed by such time. The aforesaid appointment of the Company and the Sublessee is subject to the execution of the documents contemplated by this resolution.

Section 8. The Company and the Sublessee are hereby notified that they will be required to comply with Section 875 of the Act. The Company and the Sublessee shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement and the Agency Compliance Agreement. The Company and the Sublessee are further notified 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 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 and the Agency Compliance Agreement.

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

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

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

Section 12. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 13. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 15th day of December, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended and extended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on December 15, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and 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 December 15, 2020.

By: _____
Assistant Secretary

EXHIBIT A

Proposed PILOT Benefits

Formula 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), Connetquot School District, Suffolk County and Appropriate Special Districts

Address – 116 Wilbur Place, Bohemia, Town of Islip,
Suffolk County, New York

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.

<u>Tax Year</u>	<u>PILOT Payments</u>
1	40% Normal Tax Due on the taxable assessed value
2	45% Normal Tax Due on the taxable assessed value
3	50% Normal Tax Due on the taxable assessed value
4	55% Normal Tax Due on the taxable assessed value
5	60% Normal Tax Due on the taxable assessed value
6	65% Normal Tax Due on the taxable assessed value
7	70% Normal Tax Due on the taxable assessed value
8	75% Normal Tax Due on the taxable assessed value
9	80% Normal Tax Due on the taxable assessed value
10	85% Normal Tax Due on the taxable assessed value
11	90% Normal Tax Due on the taxable assessed value
12	95% Normal Tax Due on the taxable assessed value
And thereafter: 100% Normal Tax Due on the full taxable assessed value	

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 15, 2020

AGENDA ITEM #7

TYPE OF RESOLUTION: RESOLUTION TO APPROVE A
TENANT

COMPANY: 267 CARLETON, LLC/AV CARLETON, LLC 2019
FACILITY

PROJECT LOCATION: 267 CARLETON AVE, CENTRAL ISLIP

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

INVESTMENT: \$N/A

Date: December 15, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”) held on the 15th day of December, 2020, via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-11-17-2020.html>, 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 the consent to the subleasing of a portion of the 267 Carleton LLC/AV Carleton LLC 2019 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 PERTAINING TO THE
CONSENT TO THE SUBLEASING OF A PORTION OF THE
267 CARLETON LLC/AV CARLETON LLC 2019 FACILITY
AND APPROVING THE FORM, SUBSTANCE, EXECUTION
AND DELIVERY 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 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 Agency previously provided its assistance to 267 Carleton Ave. Associates LLC, a New York limited liability company (the “**Original Company**”), in the acquisition of an approximately 1.1 acre parcel of land located at 267 Carleton Avenue, Central Islip, New York (the “**Land**”), the construction of an approximately 28,488 square foot building thereon (the “**Improvements**”), and the acquisition and installation of certain equipment and personal property (the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility is leased by the Agency to the Original Company and portions of such Facility are subleased by the Original Company to Sinnreich Kosakoff & Messina LLP (“**Sinnreich**”), and Esposito, Fuchs, Taormina & Co. (“**Esposito**”; and together with Sinnreich, the “**Sublessees**”), which portions of the Facility are used by the Sublessees to provide accounting, legal and real estate title services, and which remaining portions of the Facility are used by the Original Company as a multi-tenant office building leased to various tenants (the “**Project**”); and

WHEREAS, the Agency acquired title to the Facility pursuant to: (i) a certain Bargain and Sale Deed, dated September 21, 2005 (the “**Deed**”); and (ii) a certain Bill of Sale, dated September 21, 2005 (the “**Original Bill of Sale**”), each from the Original Company to the Agency; and

WHEREAS, the Agency leased the Facility to the Original Company pursuant to a certain Lease Agreement, dated as of September 1, 2005 (the “**Original Lease Agreement**”), by and between the Agency and the Original Company; and

WHEREAS, in connection with the leasing and the subleasing of the Facility, the Agency, the Original Company and the Sublessees entered into a Payment-in-Lieu-of-Tax Agreement, dated as of September 1, 2005 (the “**Original PILOT Agreement**”), whereby the Original Company and the Sublessees agreed to make certain 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 Original Company and the Sublessees entered into an Environmental Compliance and Indemnification Agreement, dated as of September 1, 2005 (the “**Environmental Compliance and Indemnification Agreement**”), whereby the Original

Company and the Sublessees agreed to comply with all Environmental Laws (as defined therein) applicable to the Facility; and

WHEREAS, the Agency previously consented to a request by the Original Company and the Sublessees in connection with an extension of the abatement of real property taxes on the Facility for a term of up to six (6) additional years (the “**PILOT Extension**”); and

WHEREAS, in connection with the PILOT Extension, the Original PILOT Agreement was amended and restated pursuant to a certain Amended and Restated Payment-in-Lieu-of-Tax Agreement, dated as of August 1, 2016 (the “**Amended and Restated PILOT Agreement**”); and together with the Original PILOT Agreement, the “**PILOT Agreement**”), by and among the Agency, the Original Company and the Sublessees; and

WHEREAS, in connection with the PILOT Extension, the Agency, the Original Company and the Sublessees entered into a certain Recapture Agreement, dated as of August 1, 2016 (the “**Recapture Agreement**”), by and among the Agency, the Original Company and the Sublessees; and

WHEREAS, the Original Lease Agreement was amended pursuant to a certain Amendment to Lease Agreement, dated as of August 1, 2016 (the “**Amendment to Lease**”; and together with the Original Lease Agreement, the “**Amended Lease**”), between the Agency and the Original Company; and

WHEREAS, the Agency has consented to the assignment by the Original Company of all of its rights, title, interest and obligations under the Amended Lease and certain other agreements in connection with the Facility to, and the assumption by, 267 Carleton LLC, a New York limited liability company (“**267 Carleton**”), and AV Carleton LLC, a New York limited liability company (“**AV Carleton**”; and together with 267 Carleton, the “**Company**”) of all of such rights, title, interest and obligations of the Original Company, and the release of the Original Company from any further liability with respect to the Facility subject to certain requirements of the Agency, all pursuant to a certain Assignment, Assumption and Amendment Agreement, dated as of October 11, 2019 (the “**Assignment Agreement**”), by and among the Original Company, the Sublessees, the Company and the Agency; and

WHEREAS, the Amended Lease was assigned by the Original Company to the Company and assumed by the Company pursuant to a certain Assignment and Assumption of Lease Agreement, dated October 11, 2019 (the “**Assignment of Lease Agreement**”), by and between the Original Company and the Company, and consented to by the Agency; and

WHEREAS, the Agency reconveyed title to the Facility to the Original Company pursuant to a certain Quitclaim Deed, dated October 11, 2019 (the “**Quitclaim Deed**”), from the Agency to the Original Company; and

WHEREAS, the Company has agreed to lease the Land and the Improvements to the Agency pursuant to the terms of a certain Company Lease Agreement, dated as of October 1, 2019 (the “**Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency is subleasing and leasing the Facility to the Company pursuant to a certain Amended and Restated Lease and Project Agreement, dated as of October 1, 2019 (the “**Amended and Restated Lease Agreement**”; and together with the Amended Lease, the Assignment Agreement and the Assignment of Lease Agreement, the “**Lease Agreement**”); and

WHEREAS, the Company has entered into negotiations with Kosakoff & Cataldo LLP, a New York limited liability partnership (the “**Tenant**”), to sublease approximately 4,745 square feet of the 3rd floor and approximately 500 square feet of the basement of the Facility (the “**Demised Premises**”), pursuant to an Agreement of Sublease, dated as of October 1, 2020 (the “**Tenant Lease**”), for a term expiring on September 30, 2021, to be used for general and executive offices; and

WHEREAS, the Company has requested that the Agency consent to the Tenant Lease between the Company and the Tenant; and

WHEREAS, the Facility may not be subleased, in whole or in part, without the prior written consent of the Agency; and

WHEREAS, such consent may be manifested by the execution and delivery of a Tenant Agency Compliance Agreement, to be dated a date to be determined, between the Agency and the Tenant (the “**Tenant Agency Compliance Agreement**”); 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 continued 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; and

(b) The subleasing of the Demised Premises to the Tenant will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the 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

(c) The Agency consents to the subleasing of the Demised Premises to the Tenant; and

(d) The execution of the Tenant Agency Compliance Agreement will satisfy the requirement of Section 9.3 of the Lease Agreement that any subleasing of the Facility be consented to in writing by the Agency; and

(e) It is desirable and in the public interest for the Agency to consent to the subleasing of the Demised Premises to the Tenant and to enter into the Tenant Agency Compliance Agreement.

Section 2. In consequence of the foregoing, the Agency hereby determines to enter into the Tenant Agency Compliance Agreement.

Section 3. The form and substance of the Tenant Agency Compliance Agreement (in substantially the form presented to the Agency and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 4.

(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 Tenant Agency Compliance Agreement in the form 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, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by 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 5. 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 6. 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 15th day of December, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on December 15, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and 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 15th day of December, 2020.

By _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 15, 2020

AGENDA ITEM #8

TYPE OF RESOLUTION: RESOLUTION AUTHORIZING
APPROVING GRANT FUNDS

COMPANY: N/A

PROJECT LOCATION: N/A

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

INVESTMENT: \$N/A

Date: December 15, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-9-15-2020.html>, on the 17th day of November, 2020, 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 the approval and authorization of grants under the Agency’s COVID-19 Grant Program.

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 AND
APPROVING CERTAIN GRANTS FROM THE AGENCY'S
COVID-19 GRANT PROGRAM.

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, Section 858(17) and (18) and Section 859(c) of the Act authorizes and empowers the Agency to establish a program to make grants to eligible small businesses and not-for-profit corporations for the purpose acquiring personal protective equipment or installing fixtures necessary to prevent the spread of novel coronavirus, COVID-19 (the "**COVID-19 Grant Program**"), and Section 859-c of Act authorizes and empowers the Agency to establish a state disaster emergency loan program to provide loans from available revenue to small business and not-for-profit corporations (the "**COVID-19 Loan Program**"); and

WHEREAS, by resolution dated July 21, 2020, the Agency previously established a COVID-19 Grant Program to make grants to Grant Eligible Companies (as defined below) (the "**Grants**") and a COVID-19 Loan Program to make loans to Loan Eligible Companies (as defined below) (the "**Loans**"); and

WHEREAS, the aggregate amount of funds to that were approved to be made available for use in connection with the Agency's COVID-19 Grant Program or COVID-19 Loan Program combined shall not exceed \$250,000 (the "**Maximum Funds**"); and

WHEREAS, the Agency has engaged the New York Business Development Corporation doing business as Pursuit ("**Pursuit**") for the purpose of creating a form application for potential borrowers seeking Loans, accepting applications from potential borrowers, assisting the Agency in determining whether an applicant is a Loan Eligible Company (as defined herein), assisting the Agency in determining which Loan Eligible Companies are most in need of Loans based on the Loan Criteria (as defined below), preparing documents (the "**Loan Documents**") and closing Loans, and such other responsibilities in assisting the Agency administer the Loans as may be agreed to by the Agency and Pursuit pursuant to a Loan Origination Agreement or such other similar document (the "**Loan Origination Agreement**"); and

WHEREAS, the Agency has established a Loan and Grant Review Committee made up of its certain members and staff of the Agency to be appointed by the Board of the Agency (the "**Loan and Grant Review Committee**") to review each applicant for each Loan based on the Loan Criteria (following review by Pursuit), and to review each application for Grants based on the Grant Criteria (as defined below); and

WHEREAS, the Agency shall only make grants to small businesses with at least three (3) but no more than fifty (50) employees ("**Small Businesses**") and small not-for-profit corporations with at least two (2) but no more than fifty (50) employees ("**Small Not-for-Profit Corporations**") who: (i) were financially viable prior to the commencement of the New York State (the "**State**") disaster emergency on March 7, 2020 (the "**State Disaster Emergency**"), (ii) conduct business in the Town of Islip, New York (the "**Town**"), and (iii) were required to shut down or cease operations as a result of the State's prohibition of non-essential in-office personnel functions (the "**State Shutdown**") pursuant to Governor Andrew M. Cuomo's Executive Order 202.6, issued March 18, 2020, as amended to date (each a "**Grant Eligible Company**"); and

WHEREAS, Grants shall only be made to Grant Eligible Companies for the purpose of acquiring personal protective equipment or installing fixtures necessary to prevent the spread of novel coronavirus, COVID-19 ("**PPE and Fixtures**") while the State Disaster Emergency is in effect; and

WHEREAS, the Agency has applied the following criteria to determine which Grant Eligible Companies shall receive Grants (i) creditworthiness and financial stability of the Grant Eligible Company prior to the State Disaster Emergency; (ii) the level of negative impact of the State Disaster Emergency and State Shutdown on the operations and finances of the Grant Eligible Company; (iii) Grant Eligible Company's proposed plan to use the funds received through COVID-19 Loan Program; (iv) applicant's ties to their community and the impact of their work in the Town; (v) applicant's assurance that efforts will be made to retain jobs during the State Disaster Emergency; (vi) the Grant Eligible Company's status as a minority or woman owned business; (vii) the Grant Eligible Company's location in a highly distressed area (as defined in Section 854(18) of the Act), (viii) other potential sources of funding available to the Grant Eligible Company, and (ix) any other factors or criteria deemed relevant by the Agency (collectively, the "**Grant Criteria**")

WHEREAS, no Grant made to a Grant Eligible Company pursuant to the Agency's COVID-19 Grant Program shall exceed \$10,000; and

WHEREAS, as of the date of this resolution, the Loan and Grant Review Committee has recommended making the following grants (collectively, the "**Recommended Grants**") to:

- (a) Mastrantonio Caterers, Inc., in the amount of \$6,414.00
- (b) John T. McLoughlin, DDS, in the amount of \$8,450.00
- (c) Robert C. Doht, DDS, in the amount of \$7,299.25
- (d) Dream MH Corp., in the amount of \$6,175.00
- (e) Dang Bulls BBQ Restaurant, Corp., in the amount of \$7,396.25

WHEREAS, as of the date of this resolution, the Loan and Grant Review Committee has not recommended that the Agency make any Loans; and

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 Agency is authorized under the Act to establish and administer its COVID-19 Grant Program and to make the Recommended Grants.

(c) It is desirable and in the public interest for the Agency to assist Grant Eligible Companies through the COVID-19 Grant Program.

(d) It is desirable and in the public interest for the Agency, through its Loan and Grant Review Committee and with the assistance of Pursuit, to accept applications Grants in order to determine whether to make Grants to Grant Eligible Companies for PPE and Fixtures.

(e) Based on the applications submitted by each recipient of a Recommended Grant submitted to the Agency and reviewed by the Loan and Grant Review Committee, each of the recipients of the Recommended Grants is a Grant Eligible Company, each recipient of a Recommended Grant satisfies the Grant Criteria, and the proceeds of each Recommended Grant shall be used only for the purpose of acquiring PPE and Fixtures while the State Disaster Emergency is in effect.

(f) It is desirable and in the public interest for the Agency to approve, authorize, and make the Recommended Grants and to execute any and all document, with the assistance of Pursuit, in order to make and effectuate the Grants.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) accept the Loan and Grant Review Committee's recommendations to make the Recommended Grants; (ii) make the Recommended Grants; (iii) coordinate with Pursuit, to the extent necessary, to effectuate the Recommended Grants, and (iv) to execute and deliver any and all documents as may be, in the opinion of the Chairman, Agency Counsel, or Pursuit, necessary to effectuate the Recommended Grants (the "**Grant Documents**").

Section 3. The Agency is hereby authorized to make the Recommended Grants to the recipients thereof and in the amounts set forth more fully in the recitals to this resolution.

Section 4.

(a) Subject to the provisions of this resolution; the Chairman, Executive Director, Deputy Executive Director and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Grant Documents. The execution thereof by

the Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval; and

(b) The Chairman, Executive Director, 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 5. 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 17th day of November, 2020, 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 Grant 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on October 20, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-9-15-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and 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 15th day of December, 2020.

By: _____

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 15, 2020

AGENDA ITEM #9

TYPE OF RESOLUTION: RESOLUTION APPROVING AN
ASSIGNMENT & ASSUMPTION

COMPANY: 55 PARADISE LANE REALTY, LLC

PROJECT LOCATION: 40 HAROLD COURT, BAY SHORE

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

INVESTMENT: \$N/A

Date: December 15, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, on the 15th day of December, 2020, 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 the authorization of the assignment and assumption of the Agency’s 55 Paradise Lane Realty LLC 2019 Facility, the execution and delivery of documents with respect thereto and the sale of the Facility to RG 55 Paradise 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
ASSIGNMENT AND ASSUMPTION OF A CERTAIN
INDUSTRIAL DEVELOPMENT FACILITY TO RG 55
PARADISE LLC, A DELAWARE LIMITED LIABILITY
COMPANY 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 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 Agency previously assisted 55 Paradise Lane Realty LLC, a New York limited liability company (the “**Company**”), 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 option to include an approximately 34,560 square foot mezzanine, for a total of up to 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 acquired a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of March 1, 2019 (the “**Company Lease**”), by and between the Company and the Agency, a memorandum of which was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency acquired 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 subleases and leases the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of March 1, 2019 (the “**Original Lease Agreement**”), by and between the Agency and the Company, a memorandum of which was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, pursuant to Section 5.1(c) of the Original Lease Agreement, the Company is required to make PILOT Payments (as such term is defined therein) on the Facility commencing with the 2020/2021 Tax Year; and

WHEREAS, the Company has requested the Agency’s consent to the delay of the commencement of PILOT Payments on the Facility until the 2022/2023 Tax Year (the “**PILOT Commencement Delay**”); and

WHEREAS, the Agency will consent to the PILOT Commencement Delay and the Original Lease Agreement will be amended pursuant to a certain Amendment of Lease and Project Agreement, to be dated as of December 1, 2020, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the "**Lease Amendment**"; and together with the Original Lease Agreement, the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, RG 55 Paradise LLC, a limited liability company organized and existing under the laws of the State of Delaware or another entity formed or to be formed by RG 55 Paradise LLC or the principals thereof (collectively, the "**Assignee**"), has now requested the Agency's consent to the assignment by the Company of all of its rights, title, interest and obligations under the Company Lease, the Lease Agreement and certain other agreements in connection with the Facility to, and the assumption by, the Assignee of all of such rights, title, interest and obligations of the Company, and the release of the Company from any further liability with respect to the Facility subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of December 1, 2020 or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the "**Assignment, Assumption and Amendment Agreement**"), by and among the Agency, the Company and the Assignee; and

WHEREAS, the Company Lease will be assigned by the Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Company Lease Agreement, to be dated as of December 1, 2020, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the "**Assignment of Company Lease Agreement**"), by and between the Company and the Assignee and consented to by the Agency; and

WHEREAS, the Lease Agreement will be assigned by the Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Lease Agreement, to be dated as of December 1, 2020, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the "**Assignment of Lease Agreement**"), by and between the Company and the Assignee, and consented to by the Agency; and

WHEREAS, the Agency and the Assignee will enter into such other documents upon advice of counsel, in both form and substance, as may be reasonably required to effectuate the assignment and assumption of the Facility (together with the Assignment, Assumption and Amendment Agreement, the Assignment of Company Lease Agreement, and the Assignment of Lease Agreement, collectively, the "**Assignment Documents**"); and

WHEREAS, pursuant to Section 9.3 of the Lease Agreement, the Facility may be assigned, in whole or in part, with the prior written consent of the Agency; and

WHEREAS, the Agency will consent to the assignment by the Company and the assumption by the Assignee of the Company's interests in the Facility and the Agency will thereafter sublease the Facility to the Assignee; and

WHEREAS, the Agency will further consent to the use by the Assignee of any unused sales tax exemption previously authorized for the benefit of the Company; and

WHEREAS, the Company and the Assignee 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 sublease 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; and

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

(c) The leasing of the Facility to the Assignee 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; and

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

(e) Based upon representations of the Assignee and counsel to the Assignee, 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) It is desirable and in the public interest for the Agency to consent to the PILOT Commencement Delay; and

(g) It is desirable and in the public interest for the Agency to lease the Facility to the Assignee; and

(h) It is desirable and in the public interest for the Agency to consent to the assignment and assumption of the interest in the Facility from the Company to the Assignee; and

(i) The Lease Assignment will be an effective instrument whereby the Agency consents to the PILOT Commencement Delay and the Agency and the Company amend the Original Lease Agreement; and

(j) The Assignment Documents to which the Agency is a party will be effective instruments whereby the Agency, the Assignee and the Company will effectuate the assignment and assumption of the Facility; and

(k) It is desirable and in the public interest for the Agency to lease the Facility to the Assignee.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) consent to the PILOT Commencement Delay pursuant to the Lease Amendment, (ii) execute, deliver and perform the Lease Amendment, (iii) consent to the assignment and assumption of the Facility from the Company to and by the Assignee pursuant to the Assignment, Assumption and Amendment Agreement, (iv) execute, deliver and perform the Assignment, Assumption and Amendment Agreement, (v) execute, deliver and perform the Assignment, Assumption and Amendment Agreement, (vi) consent to the assignment of the Company Lease pursuant to the Assignment of Company Lease; (vii) execute, deliver and perform the Assignment of Company Lease; (viii) consent to the assignment and assumption of the Lease Agreement pursuant to the Assignment of Lease Agreement; (ix) execute, deliver and perform the Assignment of Lease Agreement; (x) lease the Facility to the Assignee, and (xi) execute and deliver the other Assignment Documents.

Section 3. The Agency is hereby authorized to consent to the PILOT Commencement Delay, the use by the Assignee of any unused sales tax benefit previously authorized for use by the Company, and the assignment and assumption of the Facility by the Assignee and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such assignment and assumption are hereby approved, ratified and confirmed.

Section 4. Reserved.

Section 5. The Assignee is hereby notified that it will be required to comply with Section 875 of the Act. The Assignee shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement, as assigned by the Assignment, Assumption and Amendment Agreement and the Assignment of Lease Agreement. The Assignee is further notified that the tax exemptions and abatements provided pursuant to the Act 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, as assigned.

Section 6. The form and substance of the Lease Amendment, the Assignment, Assumption and Amendment Agreement and the other Assignment Documents (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 7.

(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 Lease Amendment, the Assignment, Assumption and Amendment Agreement and the other Assignment Documents in the form 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, Vice Chairman, Executive Director, Deputy Executive Director or any member and Agency

Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by 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 8. 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 9. 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 15th day of December, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended and extended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on December 15, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and 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 December 15, 2020.

By: _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 15, 2020

AGENDA ITEM #10

TYPE OF RESOLUTION: RESOLUTION APPROVING AN
ASSIGNMENT & ASSUMPTION

COMPANY: PARADISE LANE REALTY, LLC/RUBIES
COSTUMES, INC. FACILITY

PROJECT LOCATION: 158 CANDLEWOOD ROAD, BAY
SHORE

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

INVESTMENT: \$N/A

Date: December 15, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, on the 15th day of December, 2020, 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 the authorization of the assignment and assumption of the Agency’s Paradise Lane Realty LLC/Rubie’s Costume Company, Inc. 2012 Facility, the execution and delivery of documents with respect thereto and the sale of the Facility to RG 158 Candlewood 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
ASSIGNMENT AND ASSUMPTION OF A CERTAIN
INDUSTRIAL DEVELOPMENT FACILITY TO RG 158
CANDLEWOOD LLC, A DELAWARE LIMITED
LIABILITY COMPANY 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 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 Agency previously assisted Paradise Lane Realty LLC, a New York limited liability company (the “**Company**”), in the acquisition of an approximately 12.0 acre parcel of land located at 158 Candlewood Road, Bay Shore, Town of Islip, New York (the “**Land**”), the construction and equipping of an approximately 248,240 square foot building to be located thereon, together with driveways, parking lots, landscaping and including, but not limited to, the purchase of racks for storage and related equipment such as high-lows, side-loaders, swing trucks, pickers and power tractors (the “**Improvements**” and “**Equipment**”; and together with the Land, the “**Facility**”), all leased by the Agency to the Company for subsequent sublease by the Company to, and use by, Rubie’s Costume Company, Inc., a New York business corporation (the “**Sublessee**”), as a warehouse and distribution center for costumes; and

WHEREAS, the Agency previously acquired title to the Facility with a Bargain and Sale Deed from the Company, dated December 19, 2012 (the “**Deed**”); and

WHEREAS, the Agency leases the Facility to the Company pursuant to a certain Lease Agreement, dated as of December 1, 2012 (the “**Original Lease Agreement**”), by and between the Agency and the Company, a memorandum of which was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency, the Company and the Sublessee previously entered into a certain Payment-in-Lieu-of-Tax Agreement, dated as of December 1, 2012 (the “**PILOT Agreement**”), by and among the Agency, the Company and the Sublessee; and

WHEREAS, the Agency, the Company and the Sublessee previously entered into a certain Environmental Compliance and Indemnification Agreement, dated as of December 1, 2012 (the “**ECIA**”), by and among the Agency, the Company and the Sublessee; and

WHEREAS, the Agency and the Sublessee previously entered into a certain Agency Compliance Agreement, dated as of December 1, 2012 (the “**Agency Compliance Agreement**”), by and among the Agency and the Sublessee; and

WHEREAS, RG 158 Candlewood LLC, a limited liability company organized and existing under the laws of the State of Delaware or another entity formed or to be formed by RG 158 Candlewood LLC or the principals thereof (collectively, the “**Assignee**”), has now requested the Agency’s consent to the assignment by the Company of all of its rights, title, interest and obligations under the Original Lease Agreement, the PILOT Agreement, the ECIA and certain other agreements in connection with the Facility to, and the assumption by, the Assignee of all of such rights, title, interest and obligations of the Company, and the release of the Company from any further liability with respect to the Facility subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of December 1, 2020 or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the “**Assignment, Assumption and Amendment Agreement**”), by and among the Agency, the Company, the Sublessee and the Assignee; and

WHEREAS, the Original Lease Agreement will be assigned by the Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Lease Agreement, to be dated as of December 1, 2020, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the “**Assignment of Lease Agreement**”), by and between the Company and the Assignee, and consented to by the Agency; and

WHEREAS, the Original Lease Agreement, the PILOT Agreement, and the ECIA, each as assigned, may be amended and restated pursuant to a certain Amended and Restated Lease and Project Agreement, to be dated as of December 1, 2020, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the “**Amended and Restated Lease Agreement**”; and together with the Original Lease Agreement, the “**Lease Agreement**”), by and between the Agency and the Assignee; and

WHEREAS, the Agency may deed the Facility back to the Original Company pursuant to a Quitclaim Deed, or such other deed as may be required (the “**Assignment Deed**”), and enter into a Company Lease Agreement, to be dated as of December 1, 2020, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the “**Company Lease Agreement**”) with the Assignee, whereby the Assignee would lease the Facility to the Agency; and

WHEREAS, the Agency and the Assignee will enter into such other documents upon advice of counsel, in both form and substance, as may be reasonably required to effectuate the assignment and assumption of the Facility (together with the Assignment, Assumption and Amendment Agreement, the Assignment of Lease Agreement, and the Amended and Restated Lease Agreement, the Assignment Deed, and the Company Lease Agreement collectively, the “**Assignment Documents**”); and

WHEREAS, pursuant to Section 9.3 of the Original Lease Agreement, the Facility may be assigned, in whole or in part, with the prior written consent of the Agency; and

WHEREAS, the Agency will consent to the assignment by the Company and the assumption by the Assignee of the Company's interests in the Facility and the Agency will thereafter sublease the Facility to the Assignee; and

WHEREAS, the Company and the Assignee 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 sublease 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; and

(b) The Facility constitutes a "project", as such term is defined in the Act; and

(c) The leasing of the Facility to the Assignee 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; and

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

(e) Based upon representations of the Assignee and counsel to the Assignee, 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) It is desirable and in the public interest for the Agency to lease the Facility to the Assignee; and

(g) It is desirable and in the public interest for the Agency to consent to the assignment and assumption of the interest in the Facility from the Company to the Assignee; and

(h) The Assignment Documents to which the Agency is a party will be effective instruments whereby the Agency, the Assignee and the Company will effectuate the assignment and assumption of the Facility; and

(i) The Amended and Restated Lease Agreement will be an effective instrument whereby the Agency and the Assignee amend and restate the Original Lease Agreement, the PILOT Agreement, and the ECIA, as assigned.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) consent to the assignment and assumption of the Facility from the Company to and by the Assignee pursuant to the Assignment, Assumption and Amendment Agreement, (ii) execute, deliver and perform the Assignment, Assumption and Amendment Agreement, (iii) consent to the assignment and assumption of the Original Lease Agreement pursuant to the Assignment of Lease Agreement; (iv) execute, deliver and perform the Assignment of Lease Agreement; (v) lease the Facility to the Assignee pursuant to the Amended and Restated Lease Agreement (if required), (vi) execute, deliver and perform the Amended and Restated Lease Agreement (if required), (vii) reconvey the Facility to the Original Company with the Assignment Deed (if required), (viii) execute, deliver and perform the Assignment Deed (if required), (ix) lease the Facility to the Assignee pursuant to the Company Lease Agreement (if required), (x) executed, deliver and perform the Company Lease Agreement (if required), and (xi) execute and deliver the other Assignment Documents.

Section 3. The Agency is hereby authorized to consent to the assignment and assumption of the Facility by the Assignee and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such assignment and assumption are hereby approved, ratified and confirmed.

Section 4. Reserved.

Section 5. The Assignee is hereby notified that it will be required to comply with Section 875 of the Act. The Assignee shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement, as assigned by the Assignment, Assumption and Amendment Agreement and the Assignment of Lease Agreement. The Assignee is further notified that the tax exemptions and abatements provided pursuant to the Act 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, as assigned.

Section 6. The form and substance of the Assignment, Assumption and Amendment Agreement, the Amended and Restated Lease Agreement and the other Assignment Documents (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 7.

(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 Assignment, Assumption and Amendment Agreement, the Amended and Restated Lease Agreement, the Assignment Deed, the Company Lease Agreement, and the other Assignment Documents in the form 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, Vice Chairman, Executive Director, Deputy Executive Director or any member and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by

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 8. 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 9. 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 15th day of December, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended and extended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on December 15, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and 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 December 15, 2020.

By: _____
Assistant Secretary

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 15, 2020**

AGENDA ITEM #11

TYPE OF RESOLUTION: RESOLUTION AUTHORIZING
REFINANCING

COMPANY: 50 GILPIN CORP. /ABOVE ALL STORE FRONTS

PROJECT LOCATION: 50 GILPIN AVENUE, HAUPPAUGE

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

INVESTMENT: \$N/A

Date: December 15, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, on the 15th day of December, 2020, 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 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 (50 Gilpin Corp./Above All Storefronts, Inc. 2014 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 50 GILPIN CORP./ABOVE ALL STOREFRONTS, INC.
2014 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 provided its assistance to 50 Gilpin Corp., a New York business corporation (the "**Company**"), and Above All Storefronts, Inc., a New York business corporation (the "**Sublessee**"), in: (a) the acquisition of an approximately 2.66 acre parcel of land located at 50 Gilpin Avenue, Hauppauge, New York, 11788 (the "**Land**"), the renovation of an approximately 45,670 square foot building located thereon (the "**Improvements**") and the acquisition and installation therein of certain equipment 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 subleased by the Company to the Sublessee; and (b) the acquisition and installation of certain equipment and personal property (the "**Equipment**"), which Equipment is to be leased by the Agency to the Sublessee (the Company Facility and the Equipment are collectively referred to herein as the "**Facility**"), and which Facility is to be used by the Sublessee for its primary use as manufacturing and warehouse space in its business as a manufacturer and installer of aluminum and glass commercial windows and panels; and

WHEREAS, the Agency currently subleases and leases the Company Facility to the Company pursuant to a certain Lease Agreement, dated as of September 1, 2014, (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Company has now requested the Agency's consent to enter into a refinancing of the Facility with Eastern Funding LLC, or another lender or lenders to be determined (the "**Lender**"), by entering into a mortgage from the Company and the Agency to the Lender securing the principal amount presently estimated to be \$3,883,230, but not to exceed \$4,500,000 (the "**2020 Loan**"); and

WHEREAS, as security for such 2020 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 fullest extent permitted by law, securing the principal amount presently estimated to be \$3,883,230 but not to exceed \$4,500,000, corresponding to mortgage recording tax exemptions presently estimated to be \$29,125, but not to exceed \$33,750, in connection with the financing or refinancing of the costs 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; 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, 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 refinancing of the acquisition, construction 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.
- (d) The refinancing of the acquisition, construction and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company and the Sublessee in their respective industries.
- (e) Based upon representations of the Company and Sublessee and counsel to the Company and Sublessee, 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.

- (f) It is desirable and in the public interest for the Agency to assist in the refinancing of the acquisition, construction and equipping of the Facility.
- (g) The Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2020 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 or mortgages on and security interest in and to the Facility pursuant to certain mortgages and security agreements for the benefit of the Lender (the "**Mortgage**"),
- (ii) execute, deliver and perform the Mortgage, and (iii) execute, deliver and perform the Loan Documents to which the Agency is a party, as may be necessary or appropriate to effect the 2020 Loan or any subsequent refinancing of the Mortgage.

Section 3. 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 fullest extent permitted by law, securing the principal amount presently estimated to be \$3,883,230 but not to exceed \$4,500,000, corresponding to mortgage recording tax exemptions presently estimated to be \$29,125, but not to exceed \$33,750, in connection with the financing or refinancing of the costs 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.

Section 4. 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 the Mortgage, and such other related documents as may be necessary or appropriate to effect the 2020 Loan, or any subsequent refinancing of the 2020 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver any future documents in connection with any future refinancing or permanent financing of such costs of acquiring, constructing and equipping of the Facility without need for any further or future approvals of the Agency.

Section 5.

(a) Subject to the provisions of this resolution and the Lease Agreement; the Chairman, Executive Director, 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, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval; and

(b) The Chairman, Executive Director, 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 and/or the Sublessee. The Company and the Sublessee have agreed to pay such expenses and have further agreed 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.

ADOPTED: December 15, 2020

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 15th day of December, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended and extended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on December 15, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and 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 December 15, 2020.

By: _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 15, 2020

AGENDA ITEM #12

TYPE OF RESOLUTION: AMEND A RESOLUTION
AUTHORIZING ASSIGNMENT & MORTGAGE FINANCING

COMPANY: CORNERSTONE AT HAUPPAUGE

PROJECT LOCATION: MOTOR PARKWAY & JOSHUA'S PATH,
HAUPPAUGE

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

INVESTMENT: \$N/A

Date: December 15, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, on the 15th day of December, 2020, 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 the amendment of prior authorization of the assignment and assumption of the Agency’s The Cornerstone Hauppauge, LLC 2018 Facility, the execution and delivery of documents with respect thereto and the sale of the Facility to CPI-GGSP AA I Hauppauge Owner, L.L.C.

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 AMENDING PRIOR
AUTHORIZATION FOR THE ASSIGNMENT AND
ASSUMPTION OF A CERTAIN INDUSTRIAL
DEVELOPMENT FACILITY TO CPI-GGSP AA I
HAUPPAUGE OWNER, L.L.C., A DELAWARE LIMITED
LIABILITY COMPANY 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 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 Agency previously assisted The Cornerstone Hauppauge, LLC, a Delaware limited liability company (the “**Company**”), 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 “**Original Facility**”), which Original Facility is leased by the Agency to the Company and to be used by the Company as a senior living residential community (the “**Project**”); and

WHEREAS, the Agency acquired a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of August 1, 2018 (the “**Company Lease**”), by and between the Company and the Agency, a memorandum of which was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency acquired 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 subleases and leases the Original Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of August 1, 2018 (the “**Original Lease Agreement**”), by and between the Agency and the Company, a memorandum of which was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency previously provided assistance to the Company in the acquisition of an additional approximately 0.631-acre parcel of land on Bridge Road located adjacent to the Land (Suffolk County Tax Map #0500-054.00-01.00-079.000) (the “**Additional Land**”; and together with the Original Facility, the “**Facility**”), which

Additional Land was incorporated into the Land and used for the completion of the Project; and

WHEREAS, the Original Lease Agreement was amended pursuant to a certain Amendment and Modification Agreement, dated as of February 28, 2019 (the “**Amendment Agreement**”); and together with the Original Lease Agreement, the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, CPI-GGSP AA I Hauppauge Owner, L.L.C., a limited liability company organized and existing under the laws of the State of Delaware or another entity formed or to be formed by CPI-GGSP AA I Hauppauge Owner, L.L.C. or the principals thereof (collectively, the “**Assignee**”), has now requested the Agency’s consent to the assignment by the Company of all of its rights, title, interest and obligations under the Company Lease, the Lease Agreement and certain other agreements in connection with the Facility to, and the assumption by, the Assignee of all of such rights, title, interest and obligations of the Company, and the release of the Company from any further liability with respect to the Facility subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of November 1, 2020 or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the “**Assignment, Assumption and Amendment Agreement**”), by and among the Agency, the Company and the Assignee; and

WHEREAS, the Company Lease will be assigned by the Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Company Lease Agreement, to be dated as of November 1, 2020, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the “**Assignment of Company Lease Agreement**”), by and between the Company and the Assignee and consented to by the Agency; and

WHEREAS, the Lease Agreement will be assigned by the Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Lease Agreement, to be dated as of November 1, 2020, or such other date as may be determined by the Chairman, Executive Director and counsel to the Agency (the “**Assignment of Lease Agreement**”), by and between the Company and the Assignee, and consented to by the Agency; and

WHEREAS, the Agency and the Assignee will enter into such other documents upon advice of counsel, in both form and substance, as may be reasonably required to effectuate the assignment and assumption of the Facility (together with the Assignment, Assumption and Amendment Agreement, the Assignment of Company Lease Agreement, and the Assignment of Lease Agreement, collectively, the “**Assignment Documents**”); and

WHEREAS, pursuant to Section 9.3 of the Lease Agreement, the Facility may be assigned, in whole or in part, with the prior written consent of the Agency; and

WHEREAS, the Agency will consent to the assignment by the Company and the assumption by the Assignee of the Company’s interests in the Facility and the Agency will thereafter sublease the Facility to the Assignee; and

WHEREAS, in connection with the assignment and assumption of the Facility, the Assignee has requested the Agency's consent to enter into a refinancing of the Facility with Walker & Dunlop, LLC, or another lender or lenders to be determined (the "**Lender**"), by entering into a mortgage or mortgages from the Assignee and the Agency to the Lender securing the principal amount presently estimated to be \$24,570,000, but not to exceed \$30,000,000 (the "**2020 Loan**"); and

WHEREAS, as security for such 2020 Loan being made to the Assignee by the Lender, the Assignee has submitted a request to the Agency that it join with the Assignee 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 Company and the Assignee 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 sublease 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; and

(b) The Facility constitutes a "project", as such term is defined in the Act; and

(c) The leasing of the Facility to the Assignee 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; and

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

(e) Based upon representations of the Assignee and counsel to the Assignee, 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) It is desirable and in the public interest for the Agency to lease the Facility to the Assignee; and

(g) It is desirable and in the public interest for the Agency to consent to the assignment and assumption of the interest in the Facility from the Company to the Assignee; and

(h) The Assignment Documents to which the Agency is a party will be effective instruments whereby the Agency, the Assignee and the Company will effectuate the assignment and assumption of the Facility; and

(i) The Loan Documents will be effective instruments whereby the Agency and the Assignee agree to secure the 2020 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) consent to the assignment and assumption of the Facility from the Company to and by the Assignee pursuant to the Assignment, Assumption and Amendment Agreement, (ii) execute, deliver and perform the Assignment, Assumption and Amendment Agreement, (iii) consent to the assignment of the Company Lease pursuant to the Assignment of Company Lease; (iv) execute, deliver and perform the Assignment of Company Lease; (v) consent to the assignment and assumption of the Lease Agreement pursuant to the Assignment of Lease Agreement; (vi) execute, deliver and perform the Assignment of Lease Agreement; (vii) lease the Facility to the New Owner, (viii) execute and deliver the other Assignment Documents, (ix) grant a mortgage or mortgages on and security interest in and to the Facility pursuant to certain mortgages and security agreements for the benefit of the Lender (the "**Mortgage**"), (x) execute, deliver and perform the Mortgage, and (xi) execute, deliver and perform the Loan Documents to which the Agency is a party, as may be necessary or appropriate to effect the 2020 Loan or any subsequent refinancing of the Mortgage.

Section 3. The Agency is hereby authorized to consent to the assignment and assumption of the Facility by the Assignee and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such assignment and assumption are hereby approved, ratified and confirmed.

Section 4. Reserved.

Section 5. The Assignee is hereby notified that it will be required to comply with Section 875 of the Act. The Assignee shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement, as assigned by the Assignment, Assumption and Amendment Agreement and the Assignment of Lease Agreement. The Assignee is further notified that the tax exemptions and abatements provided pursuant to the Act 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, as assigned.

Section 6. The form and substance of the Assignment, Assumption and Amendment Agreement, the other Assignment Documents, 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 7.

(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 Assignment, Assumption and Amendment Agreement, the other Assignment Documents, and the Loan Documents to which the Agency is a party, in the form 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, Vice Chairman, Executive Director, Deputy Executive Director or any member and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by 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 8. 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 9. 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 15th day of December, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended and extended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on December 15, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-12-15-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and 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 December 15, 2020.

By: _____
Assistant Secretary