



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

Date: July 18, 2023

Minutes

1. Call the meeting of the Town of Islip Industrial Development Agency to order on a motion by James O'Connor and seconded by John Cochrane. Chairwoman Angie Carpenter acknowledged that a quorum was present. Members present in addition to Councilwoman Angie Carpenter were, John Cochrane, James O'Connor and John Lorenzo, Councilman Jorge Guadron was not present.
2. To consider the **Adoption of a Resolution** on behalf of the **Town of Islip Industrial Development Agency** to approve the minutes from June 13, 2023. On a motion by John Cochrane and seconded by John Lorenzo said motion was approved.
3. To consider the **Adoption of an Inducement Resolution** on behalf of **The Town of Islip Industrial Development Agency** and **Ferraro Food of New York East, LLC** located at 80 Wilshire Blvd. Edgewood NY. On a motion by John Lorenzo and seconded by John Cochrane said motion was approved 4-0.
4. To consider the **Adoption of an Authorizing Resolution** on behalf of the **Town of Islip Industrial Development Agency** and **161 East, LLC**. Located at 11 First Ave. Bay Shore NY. On a motion by John Cochrane and seconded by James O'Connor said motion was approved 4-0.
5. To consider the **Resolution Authorizing Assignment and Assumption** on behalf of the Town of Islip Industrial Development Agency and **OL Coventry, LLC**. Located at 725 Eastview Drive Central Islip, NY. On a motion by John Lorenzo and seconded by James O'Connor said motion was approved 4-0.
6. To consider a **Resolution Authorizing** on behalf of **The Town of Islip Industrial Development Agency** to enter into an agreement with **Executive Consultants of New York** for the purpose of sponsoring a "Job Search Boot Camp". On a motion by John Lorenzo and seconded by James O'Connor said motion was approved 4-0.
7. To consider any other business to come before the Agency, there being none the meeting adjourned on a motion by John Cochrane and seconded by John Lorenzo.

Date: July 18, 2023

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at 40 Nassau Avenue, Islip, New York 11751 on the 18th day of July, 2023, the following members of the Agency were:

Present: Councilwoman Angie Carpenter
Councilmen John Cochrane
Councilmen James O’Connor
Councilmen John Lorenzo

Absent: Councilmen Jorge Guadron

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 assignment and assumption of the Agency’s OL Coventry, LLC 2023 Facility, the execution and delivery of documents with respect thereto and the sale of the Facility to OL Coventry I, LLC and OL Coventry II, LLC.

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

Voting Aye

Voting Nay

Angie Carpenter

John Cochrane

James O’Connor

John Lorenzo

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ASSIGNMENT AND ASSUMPTION OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY TO OL COVENTRY I, LLC, A NEW YORK LIMITED LIABILITY COMPANY OR ANOTHER ENTITY FORMED OR TO BE FORMED BY OL COVENTRY I, LLC OR THE PRINCIPALS THEREOF AND OL COVENTRY II, LLC, A NEW YORK LIMITED LIABILITY COMPANY OR ANOTHER ENTITY FORMED OR TO BE FORMED BY OL COVENTRY II, LLC, OR THE PRINCIPALS THEREOF AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING 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 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 has previously provided its assistance to OL Coventry, LLC, a limited liability company organized and existing under the laws of the State of New York (the “**Original Company**”), in connection with the acquisition of an approximately 8.6 acre parcel of land located at 725 Eastview Drive, Central Islip, New York 11722 (SCTM# 0500-142.00-13.00-001.001) (the “**Land**”), the construction of eleven (11) two-story buildings thereon totaling approximately 115,350 square feet, and the construction thereon of an additional approximately 2,700 square foot clubhouse building (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility is leased by the Agency to the Original Company and is to be used as a multi-family residential apartment development, consisting of approximately one hundred (100) two-bedroom units located throughout eleven (11) two-story buildings, a clubhouse building, and a swimming pool (the “**Project**”); and

WHEREAS, the Original Company leased the Land and the Improvements to the Agency pursuant to the terms of a certain Company Lease Agreement, dated as of June 1, 2023 (the “**Original Company Lease**”), by and between the Original Company and the Agency; and

WHEREAS, the Original Company transferred title to the Equipment to the Agency pursuant to a certain Bill of Sale, dated June 26, 2023 (the “**Bill of Sale**”); and

WHEREAS, the Agency is currently subleasing and leasing the Facility to the Original Company, pursuant to a Lease and Project Agreement, dated as of June 1, 2023 (the “**Original Lease Agreement**”); and

WHEREAS, pursuant to Section 4.2(b) of the Original Lease Agreement, the subleasehold and leasehold estate created thereby shall terminate at 11:58 p.m. on November 30, 2041 (the “**Lease Term**”); and

WHEREAS, (i) OL Coventry I, LLC, a limited liability company organized under the laws of the State of New York on behalf of itself and/or the principals of OL Coventry I, LLC and/or an entity formed or to be formed on behalf of any of the foregoing and (ii) OL Coventry II, LLC, a limited liability company organized under the laws of the State of New York on behalf of itself and/or the principals of OL Coventry II, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Assignee**” and “**Company**”) have requested the Agency’s consent to the assignment by the Original Company of all of its rights, title, interest and obligations under the Original Company Lease and the Original 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 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 the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of July 1, 2023, 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 Original Company and the Assignee; and

WHEREAS, the Original Company Lease will be assigned by the Original Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Company Lease Agreement, to be dated as of July 1, 2023, or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the “**Assignment of Company Lease**”; and, together with the Original Company Lease, the “**Company Lease**”), by and between the Original Company and the Assignee and consented to by the Agency; and

WHEREAS, the Original Lease Agreement will be assigned by the Original Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Lease Agreement, to be dated as of July 1, 2023, or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the “**Assignment of Lease Agreement**”; and, together with the Original Lease Agreement, and the Assignment, Assumption and Amendment Agreement, the “**Lease Agreement**”), by and between the Original 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 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 contemplates that as part of the aforementioned assignment, the Company will assume the portions of the real property tax abatement, sales tax exemption, and mortgage recording tax exemption contemplated in the Original Lease Agreement, that have not, as of the date of the assignment, been used by the Original Company or otherwise expired; and

WHEREAS, the Assignor 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 transfer of the interest in the Facility from the Assignor 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 Assignor will effectuate the assignment and assumption of the Facility; and

Section 2. The Agency has assessed all material information included in connection with the Assignee'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 Assignee.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) consent to the assignment and assumption of the Facility from the Assignor 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 Original 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 Original Lease Agreement pursuant to the Assignment of Lease Agreement; (vi) execute, deliver and perform the Assignment of Lease Agreement; and (vii) execute and deliver the other Assignment Documents.

Section 4. 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 5. The Agency hereby authorizes and approves the assumption by the Company of the portions of the real property tax abatement, sales tax exemption, and mortgage recording tax exemption contemplated in the Original Lease Agreement that have not been used by the Original Company or expired as of the date of the assignment.

Section 6. 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. The Assignee is further notified that the continued 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 Original Lease Agreement, as assigned.

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

Section 8.

(a) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Assignment, Assumption and Amendment Agreement and the other Assignment 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 Original Lease Agreement).

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. This resolution shall take effect immediately.

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

I, the undersigned 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 July 18, 2023, 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 is in substantially the form presented to the Agency and/or approved by said meeting.

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

IN WITNESS WHEREOF, I have hereunto set my hand/as of the 18th day of July, 2023.

By: _____

Assistant Secretary

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY TAKING OFFICIAL ACTION
TOWARD APPOINTING FERRARO FOODS OF NEW YORK
EAST LLC, A DELAWARE LIMITED LIABILITY COMPANY,
ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF
FERRARO FOODS OF NEW YORK EAST LLC AND/OR AN
ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE
FOREGOING AS AGENT(S) OF THE AGENCY FOR THE
PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING
THE FACILITY AND MAKING CERTAIN FINDINGS AND
DETERMINATIONS WITH RESPECT TO THE FACILITY.

WHEREAS, Ferraro Foods of New York East LLC, a Delaware limited liability company, on behalf of itself and/or the principals of Ferraro Foods of New York East 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 231,000 square foot existing building (the “**Demised Premises**”) located on an approximately 20.02 acre parcel of land located at 80 Wilshire Boulevard, Edgewood, New York (the “**Land**”), the renovation and equipping of the Demised Premises (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and together with the Land, the Demised Premises and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company, for use in the warehousing and distribution of Italian food products and related products (the “**Project**”); and

WHEREAS, the Company will acquire a leasehold interest in the Facility pursuant to a lease agreement, to be dated a date to be determined, between 80 Wilshire Blvd. L.P., a New York limited partnership (“**Owner**”) and the Company; and

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

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

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

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

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

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

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

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

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

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

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

WHEREAS, the Questionnaire has been reviewed by the Agency; and

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

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

Section 1. Based upon the Environmental Assessment Form completed by the Company and reviewed by the Agency and other representations and information furnished by the Company regarding the Facility, the Agency determines that the action relating to the acquisition, renovation, equipping, and operation of the Facility is a Type II Action, as that term is defined in the SEQR Act. As such, no further SEQR review is required under the SEQR Act.

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

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

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

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

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

Section 7. Any expenses incurred by the Agency with respect to the Facility, including the expenses of Transaction Counsel, shall be paid by the Company. The Company shall agree to pay such expenses and further agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

Section 8. This resolution shall take effect immediately.

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

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

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

Such resolution was passed at a meeting of the Agency duly convened in public session on July 18, 2023, at 2:00 p.m., local time, at Islip Town Hall, 655 Main Street, Islip, New York, at which meeting the following members were:

Present: Councilwoman, Angie Carpenter
 Councilmen, John Cochrane
 Councilmen, James O’Connor
 Councilmen, John Lorenzo

Absent: Councilmen, Jorge Guadron

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

Voting Aye

Angie carpenter

John Cochrane

James O’Connor

John Lorenzo

and, therefore, the resolution was declared duly adopted.

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

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), (ii) said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of July 18, 2023.

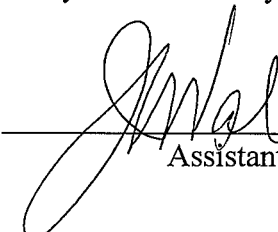
Assistant Secretary

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 July, 2023, at _____ a.m., local time, 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 July __, 2023.



Assistant Secretary

Date: July 18, 2023

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York, on the 18th day of July, 2023, the following members of the Agency were:

Present: Councilwoman, Angie Carpenter

Councilmen, John Cochrane

Councilmen, James O’Connor

Councilmen, John Lorenzo

Absent: Councilmen, Jorge Guadron

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 and title to a certain industrial development facility more particularly described below (161 East, LLC 2023 Facility) and the leasing of the facility to 161 East, LLC.

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

Voting Aye

Angie Carpenter
John Cochrane
James O’Connor
John Lorenzo

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE APPOINTMENT OF 161 EAST, LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF 161 EAST, 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 THE FACILITY, APPROVING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF SUCH INDUSTRIAL DEVELOPMENT FACILITY AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO 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, 161 East, 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 161 East, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Agency, to enter into a transaction in which the Agency will assist in the acquisition of an approximately 0.65 acre parcel of land located at 11 First Avenue, Bay Shore, New York 11706 (SCTM# 0500-393.00-03.00-140.100) (the “**Land**”), the construction of a four-story approximately 20,395 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 is to be used as a multi-family housing apartment complex, comprised of approximately twenty (20) residential units containing 18-two-bedroom units, 1-one-bedroom unit and 1-studio unit (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on June 13, 2023, decided to take certain actions under the provisions of the Act; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of July 1, 2023, or such other date as the Chairman, the Executive Director, 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 July 1, 2023, or such other date as the Chairman, the Executive Director, the Deputy Executive Director of the Agency and counsel to the Agency shall agree 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: (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$5,000,000 but not to exceed \$6,000,000 in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping the Facility, (ii) exemptions from sales and use taxes in an approximate amount not to exceed \$338,532, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof); and

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

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

WHEREAS, the Agency required the Company to provide to the Agency a feasibility report (the “**Feasibility Study**”), together with other materials (the Feasibility Study and the other materials are collectively, 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 B hereof:

1. 161 East, LLC – Benefits Analysis for the Town of Islip Industrial Development Agency, dated May, 2023, by VHB Engineering, Surveying and Landscape Architecture, P.C.;
2. New York Law Journal Article, dated March 22, 2017, on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.; and
3. 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 hereto as Exhibit C, provides for the granting of financial assistance by the Agency for housing projects pursuant to Section I.A.4; 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 housing in the Town of Islip;

(b) Such lack of 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 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; and

(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; 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 has represented to the Agency that they intend to provide an additional two and a half (2.5) full-time employees within the second year after completion of the Facility; and

(d) 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; and

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

(f) Based upon the representations of the Company, the transactions contemplated by the Lease Agreement shall not result in the removal of any facility or plant if any Facility occupant(s) from one area of the State to another area of the State or in the abandonment of one or more facilities or plants of the Facility occupant(s) located within the State; and

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

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

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

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

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

Section 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) lease and sublease 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 interest in and to the Facility pursuant to the Loan Documents, (vi) execute and deliver the Mortgage, and (vii) execute, deliver and perform 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 further authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, constructing and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, constructing and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 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 \$5,000,000 but not to exceed \$6,000,000 in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping the Facility, (ii) exemptions from sales and use taxes in an approximate amount not to exceed \$338,532, 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 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 \$338,532, 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 completion of the transaction and 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.

(a) The Chairman, the Executive Director, or the Deputy Executive Director of the Agency 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, the Executive Director, the Deputy Executive Director of the Agency 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, the Executive Director, the Deputy Executive Director of the Agency or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, the Executive Director, the Deputy Executive Director of the Agency 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. Any expenses incurred by the Agency with respect to the Facility shall be paid by the Company. The Company has agreed to pay such expenses and further shall agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

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 18th day of July, 2023, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 18th day of July, 2023.

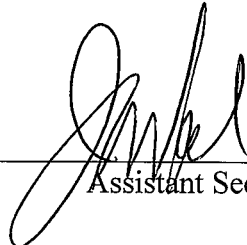
By:  _____
Assistant Secretary

EXHIBIT A

Proposed PILOT Schedule

Schedule of 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 School District, Suffolk County and Appropriate Special Districts

Property Address: 11 First Avenue, Bay Shore, New York

Tax Map No.: 0500-393.00-03.00-140.100

Definitions

X = \$32,000.00 (current land value)

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

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

Formula

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

Company to pay Normal Tax Due on X during Construction Period. PILOT Payments to commence in Tax Year following Company's receipt of Certificate of Occupancy.

EXHIBIT B-1

161 East, LLC – Benefits Analysis for the Town of Islip Industrial Development Agency,
dated May, 2023, by VHB Engineering, Surveying and Landscape Architecture, P.C

EXHIBIT B-2

New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.

Ryan et al. v. Town of Hempstead Industrial Development Agency et al

EXHIBIT C

Town of Islip Industrial Development Agency Uniform Tax Exemption Policy