



MEETING OF THE TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
November 22, 2016  
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 October 28, 2016.
3. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **Kenco, LLC**. Located at 2175 5<sup>th</sup> Avenue, Ronkonkoma.
4. To consider a Resolution 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 (**91 Heartland Blvd Facility**), (101 Heartland Boulevard and 111 Heartland Boulevard Facility), (121 Wilshire Boulevard Facility) and (2 Rodeo Drive Facility) and approving the execution and delivery of related documents.
5. To consider the adoption of a Resolution to consent to the subleasing of a portion of the **ELM Freight Handlers Inc. 2014 Facility** by **ELM Freight Handlers Inc. to Mana Products, Inc.**, and approving the execution and delivery of a Tenant Agency Compliance Agreement and related documents.
6. To consider the adoption of a Resolution Authorizing the financing for **Macy Estates**. Located at 46 Islip Avenue, Islip, New York.
7. To consider any other business that may come before the Agency.

**TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR NOVEMBER 22, 2016**

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**AGENDA ITEM # 2**

**TYPE OF RESOLUTION:** APPROVE MINUTES FROM  
OCTOBER 28, 2106

**COMPANY:** N/A

**PROJECT LOCATION:** N/A

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

**INVESTMENT:** N/A



## MEETING OF THE TOWN OF ISLIP

### INDUSTRIAL DEVELOPMENT AGENCY

October 28, 2016

#### Minutes

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1. The Meeting of the Town of Islip Industrial Development Agency was called to order at 9:35am on a motion by Councilman Steve Flotteron and seconded by Councilman John Cochrane.

All Members were present the Chairwoman acknowledged a quorum.

Motions were presented to approve and adopt the following resolution on the October 28, 2016 IDA Agenda. The resolutions were as follows:

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 18, 2016. On a motion by Councilwoman Bergin Weichbrodt and seconded by Councilman Steve Flotteron, said motion was approved unanimously.

3. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the **2017 Budget**. On a motion by Councilman Flotteron and seconded by Councilman Cochrane said resolution was approved unanimously.

There being no further business to come before the Agency, on a motion by Councilman Cochrane and seconded by Councilman Flotteron, said motion being approved unanimously, the meeting was adjourned at 9:45am.

**TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR NOVEMBER 22, 2016**

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**AGENDA ITEM #3**

**TYPE OF RESOLUTION: AUTHORIZING RESOLUTION**

**COMPANY: KENCO, LLC**

**PROJECT LOCATION: 2175 5<sup>TH</sup> AVENUE,  
RONKONKOMA**

**JOBS (RETAINED/CREATED): RETAINED - 43 -  
CREATE - 04 -**

**INVESTMENT: \$1,814,000**

Date: November 22, 2016

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 22nd day of November, 2016 the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to a certain industrial development facility more particularly described below (Kenco LLC/Alken Industries Inc. 2016 Facility) and the leasing of the facility to Kenco LLC for further subleasing to Alken Industries Inc.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION, CONSTRUCTION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF KENCO LLC, A NEW YORK LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF KENCO LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING, ALKEN INDUSTRIES INC., A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF ALKEN INDUSTRIES INC. 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 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, Kenco 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 Kenco LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) and Alken 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 Alken 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 1.68 acre parcel of land located at 2175 5th Avenue, Ronkonkoma, New York, 11779 (the “**Land**”), the renovation of an approximately 30,800 square foot building located thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), which Company Facility will be subleased and 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 will be used by the Sublessee for its primary use as a manufacturer of complex aircraft parts and assemblies for major aerospace companies and the U.S. Department of Defense, including the following as they relate to the appointment of the Company and the Sublessee as agent(s) of the Agency with respect to the acquisition, renovation, construction and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation, construction and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, renovation, construction and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; and

WHEREAS, the Agency, by resolution duly adopted on October 18, 2016 (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 November 1, 2016 or such other date as the Chairman or 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 November 1, 2016 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 (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 November 1, 2016 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 Agency contemplates that it will provide financial assistance to the Company and the Sublessee consistent with the policies of the Agency, in the form of (i) exemptions from sales and use taxes in an amount not to exceed \$8,056, in connection with the purchase or lease of equipment, building materials, services or other personal property

with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof); and

WHEREAS, the Sublessee and the Agency will enter into a certain Agency Compliance Agreement, dated as of November 1, 2016 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, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed transaction is necessary to maintain the competitive position of the Company and the Sublessee in their respective industries; and

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

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

(e) 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, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and

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



(g) It is desirable and in the public interest for the Agency to sublease the Land and the Improvements and to lease the Facility Equipment to the Company; and

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

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

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

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

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

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

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 sales and use taxes in an amount not to exceed \$8,056, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), consistent with the policies of the Agency.

Section 7. Subject to the provisions of this resolution, the Company and the Sublessee are herewith and hereby appointed the agents of the Agency to acquire, renovate, construct and equip the Facility. The Company and the Sublessee are hereby empowered to delegate their respective status as agent of the Agency to their respective agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company and the Sublessee may choose in order to acquire, renovate, construct and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company and the Sublessee as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company and the Sublessee, as agents of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the Facility. This agency appointment expressly excludes the purchase by the Company and the Sublessee of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The Company and the Sublessee shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company and the Sublessee, as agent of the Agency. The aforesaid appointment of the Company and the Sublessee as agents of the Agency to acquire, renovate, 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 and the Sublessee have received exemptions from sales and use taxes in an amount not to exceed \$8,056 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 hereby agree to comply with Section 875 of the Act. The Company and the Sublessee further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company and the Sublessee as agents of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act.

Section 9. The form and substance of the Company Lease, the Lease Agreement, the Equipment Lease Agreement and the Agency Compliance Agreement to which the Agency is a party (each in substantially the forms presented to or approved by the Agency

and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 10.

(a) The Chairman, Vice Chairman, Executive Director 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, and the Agency Compliance Agreement, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Executive Director 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 or any member of the Agency shall constitute conclusive evidence of such approval.

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

Section 11. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 12. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 22nd day of November, 2016, 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 22nd day of November, 2016.

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

#### Definitions:

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

2017/2018	100% Normal Tax Due on the taxable assessed value of \$130,500
2018/2019	100% Normal Tax Due on the taxable assessed value of \$143,550
2019/2020	100% Normal Tax Due on the taxable assessed value of \$156,600
2020/2021	100% Normal Tax Due on the taxable assessed value of \$169,650
2021/2022	100% Normal Tax Due on the taxable assessed value of \$182,700
2022/2023	100% Normal Tax Due on the taxable assessed value of \$195,750
2023/2024	100% Normal Tax Due on the taxable assessed value of \$208,800
2024/2025	100% Normal Tax Due on the taxable assessed value of \$221,850
2025/2026	100% Normal Tax Due on the taxable assessed value of \$234,900
2026/2027	100% Normal Tax Due on the taxable assessed value of \$247,950



TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR NOVEMBER 22, 2016

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**AGENDA ITEM #4**

**TYPE OF RESOLUTION:** RESOLUTION AUTHORIZING

**COMPANY:** 91 HEARTLAND BLVD FACILITY, 101 HEARTLAND BLVD, 111 HEARTLAND BLVD FACILITY, 121 WILSHIRE BLVD FACILITY AND 2 RODEO DR FACILITY.

**PROJECT LOCATION:** EDGEWOOD, NEW YORK

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

**INVESTMENT:**

Date: November 22, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”) held on the 22nd day of November, 2016, at 40 Nassau Avenue, Islip, New York 11751, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on a proposed mortgage financing and the execution of related loan documents in connection with a certain industrial development facility more particularly described below (91 Heartland Blvd Facility), (101 Heartland Boulevard and 111 Heartland Boulevard Facility), (121 Wilshire Boulevard Facility), (2 Rodeo Drive Facility), (110 Wilshire Blvd Facility), (111 Rodeo Drive Facility) and (300 Executive Drive 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 FINANCING AND/OR REFINANCING OF THE 91 HEARTLAND BLVD FACILITY, THE 101 HEARTLAND BOULEVARD AND 111 HEARTLAND BOULEVARD FACILITY, THE 121 WILSHIRE BOULEVARD FACILITY, THE 2 RODEO DRIVE FACILITY, THE 110 WILSHIRE BOULEVARD FACILITY, THE 111 RODEO DRIVE FACILITY AND THE 300 EXECUTIVE DRIVE 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 has previously provided its assistance to Heartland Boys II, L.P., a New York limited partnership (“**Heartland Boys II**”), pursuant to an industrial development facility located at 91 Heartland Boulevard, Edgewood, New York (the “**91 Heartland Facility**”), pursuant to a certain Lease Agreement, dated as of February 1, 2000 (the “**91 Heartland Facility Lease Agreement**”), by and between the Agency and Heartland Boys II; and

WHEREAS, the Agency has previously provided its assistance to Heartland Boys III L.P., a New York limited partnership (the “**Heartland Boys III**”), pursuant to an industrial development facility located at 101 Heartland Boulevard and 111 Heartland Boulevard, Edgewood, New York (the “**101 Heartland and 111 Heartland Facility**”), pursuant to a certain Lease Agreement, dated as of February 1, 2008 (the “**101 Heartland and 111 Heartland Facility Lease Agreement**”), by and between the Agency and Heartland Boys III; and

WHEREAS, the Agency has previously provided its assistance to ZTA Rental Properties, L.P., a New York limited partnership (“**ZTA**”), pursuant to an industrial development facility located at 110 Wilshire Boulevard, Edgewood, New York (the “**110 Wilshire Facility**”), pursuant to a certain Lease Agreement, dated as of November 1, 2013 (the “**110 Wilshire Facility Lease Agreement**”), by and between the Agency and ZTA; and

WHEREAS, the Agency has previously provided its assistance to ZTA, pursuant to an industrial development facility located at 111 Rodeo Drive, Edgewood, New York (the “**111 Rodeo Facility**”), pursuant to a certain Lease Agreement, dated as of January 1, 2014 (the “**111 Rodeo Facility Lease Agreement**”), by and between the Agency and ZTA; and

WHEREAS, the Agency has previously provided its assistance to Broadridge Investor Communication Solutions, Inc., a Delaware business corporation ("**Broadridge**"), pursuant to an industrial development facility located at 300 Executive Drive, Edgewood, New York (the "**300 Executive Facility**"), pursuant to a certain Lease Agreement, dated as of February 1, 2013 (the "**300 Executive Facility Lease Agreement**"), by and between the Agency and Broadridge, and which 300 Executive Facility is owned by Heartland Rental Properties LLC, a New York limited liability company ("**Heartland Rental**"); and

WHEREAS, the Agency has previously provided its assistance to 121 WILSHIRE BLVD LLC, a New York limited liability company ("**121 Wilshire**"; and, together with Heartland Boys II, Heartland Boys III, ZTA and Heartland Rental, are collectively, the "**Borrower**"), pursuant to an industrial development facility located at 121 Wilshire Boulevard, Edgewood, New York (the "**121 Wilshire Facility**"), pursuant to a certain Lease Agreement, dated as of April 1, 2012 (the "**121 Wilshire Facility Lease Agreement**"), by and between the Agency and 121 Wilshire; and

WHEREAS, the Agency has previously provided its assistance to Heartland Boys II, pursuant to an industrial development facility located at 2 Rodeo Drive, Edgewood, New York (the "**2 Rodeo Drive Facility**"; and together with the 91 Heartland Facility, the 101 Heartland and 111 Heartland Facility, the 121 Wilshire Facility, the 110 Wilshire Facility, the 111 Rodeo Facility and the 300 Executive Facility, collectively, the "**Facilities**"), pursuant to a certain Lease Agreement, dated as of May 1, 2014 (the "**2 Rodeo Drive Facility Lease Agreement**"; and, together with the 91 Heartland Facility Lease Agreement, the 101 Heartland and 111 Heartland Facility Lease Agreement, the 121 Wilshire Facility Lease Agreement, the 110 Wilshire Facility Lease Agreement, the 111 Rodeo Facility Lease Agreement and the 300 Executive Facility Lease Agreement, collectively, the "**Lease Agreements**"), by and between the Agency and Heartland Boys II; and

WHEREAS, the Borrower has now requested that the Agency consent to enter into a financing with Capital One, National Association, as Administrative Agent or such other lender as may be determined (the "**Lender**") with respect to the Facilities (the "**Financing**"); and

WHEREAS, as security for such Financing being made to the Borrower by the Lender, Heartland Boys III has submitted a request to the Agency that it join with Heartland Boys III in executing and delivering to the Lender one or more mortgages in the aggregate principal amount presently expected to be \$7,672,875 but not to exceed \$7,672,875 (the "**101 Heartland and 111 Heartland Facility Mortgage**") 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 "**101 Heartland and 111 Heartland Facility Loan Documents**"); and

WHEREAS, as security for such Financing being made to the Borrower by the Lender, 121 Wilshire has submitted a request to the Agency that it join with 121 Wilshire in executing and delivering to the Lender one or more mortgages in the aggregate principal amount presently expected to be \$7,493,042 but not to exceed \$7,493,042 (the "**121 Wilshire Facility Mortgage**") 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 **"121 Wilshire Facility Loan Documents"**); and

WHEREAS, as security for such Financing being made to the Borrower by the Lender, Heartland Boys II has submitted a request to the Agency that it join with Heartland Boys II in executing and delivering to the Lender one or more mortgages in the aggregate principal amount presently expected to be \$7,493,042 but not to exceed \$7,493,042 (the **"2 Rodeo Facility Mortgage"**) 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 **"2 Rodeo Facility Loan Documents"**); and

WHEREAS, as security for such Financing being made to the Borrower by the Lender, Heartland Boys II has submitted a request to the Agency that it join with Heartland Boys II in executing and delivering to the Lender one or more mortgages in the aggregate principal amount presently expected to be \$9,411,261 but not to exceed \$9,411,261 (the **"91 Heartland Facility Mortgage"**) 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 **"91 Heartland Facility Loan Documents"**); and

WHEREAS, the Borrower 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 Financing of the Facilities;

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

Section 1.

(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 Facilities continue to constitute a "project", as such term is defined in the Act; and

(c) The mortgaging of the Facilities by the Borrower and/or the Agency as contemplated in this resolution are permitted under the Act; and

(d) The mortgaging of the Facilities as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Borrower in its industry; and

(e) Based upon representations of the Borrower and Borrower's counsel, the Facilities continue 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 Facilities are located; and



(f) It is desirable and in the public interest for the Agency to assist in the refinancing of the Facilities; and

(g) The Estoppel Certificates for each of the Facilities will be effective instruments whereby the Agency agrees to confirm the current standing of each of the Facilities; and

(h) The 101 Heartland and 111 Heartland Facility Loan Documents will be effective instruments whereby the Agency and Heartland Boys III agree to secure the 101 Heartland and 111 Heartland Facility Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency's Unassigned Rights as defined therein); and

(i) The 121 Wilshire Facility Loan Documents will be effective instruments whereby the Agency and Heartland Boys III agree to secure the 121 Wilshire Facility Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency's Unassigned Rights as defined therein); and

(j) The 2 Rodeo Facility Loan Documents will be effective instruments whereby the Agency and Heartland Boys II agree to secure the 2 Rodeo Facility Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency's Unassigned Rights as defined therein); and

(k) The 91 Heartland Facility Loan Documents will be effective instruments whereby the Agency and Heartland Boys II agree to secure the 91 Heartland Facility 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) execute and deliver the Estoppel Certificates, (ii) grant a mortgage on and security interest in and to the 101 Heartland and 111 Heartland Facility pursuant to the 101 Heartland and 111 Heartland Facility Mortgage for the benefit of the Lender, (iii) grant a mortgage on and security interest in and to the 121 Wilshire Facility pursuant to the 121 Wilshire Facility Mortgage for the benefit of the Lender, (iv) grant a mortgage on and security interest in and to the 2 Rodeo Facility pursuant to the 2 Rodeo Facility Mortgage for the benefit of the Lender, (v) grant a mortgage on and security interest in and to the 91 Heartland Facility pursuant to the 91 Heartland Facility Mortgage for the benefit of the Lender, (vi) execute, deliver and perform the 101 Heartland and 111 Heartland Facility Mortgage, (vii) execute, deliver and perform the 121 Wilshire Facility Mortgage, (viii) execute, deliver and perform the 2 Rodeo Facility Mortgage, (ix) execute, deliver and perform the 91 Heartland Facility Mortgage; and (x) execute, deliver and perform the loan documents to which the Agency is a party, as may be necessary or appropriate to effect the Loan or any subsequent refinancing of the 101 Heartland and 111 Heartland Facility Mortgage, the 121 Wilshire Facility Mortgage, the 2 Rodeo Facility Mortgage or the 91 Heartland Facility Mortgage.

Section 3. The Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the Estoppel Certificates, the 101 Heartland and 111 Heartland Facility Mortgage, the 121 Wilshire Facility Mortgage, the 2 Rodeo Facility

Mortgage, the 91 Heartland Facility Mortgage, and such other related documents as may be necessary or appropriate to effect the Loan, or any subsequent refinancing of the Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 4.

(a) Subject to the provisions of this resolution and the Lease Agreement; the Chairman, Executive Director, and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Estoppel Certificates, the 101 Heartland and 111 Heartland Facility Mortgage, the 121 Wilshire Facility Mortgage, the 2 Rodeo Facility Mortgage, and the 91 Heartland Facility Mortgage, 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, or any member of the Agency shall constitute conclusive evidence of such approval; and

(b) The Chairman, 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. Subject to the provisions of this resolution and the Lease Agreements, 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. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facilities shall be paid by the Borrower. By acceptance hereof, the Borrower agrees to pay such expenses and further agrees 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 Facilities.

Section 7. This resolution shall take effect immediately.

ADOPTED: November 22, 2016

ACCEPTED: \_\_\_\_\_ 2016

**HEARTLAND BOYS II, L.P.**

By: \_\_\_\_\_  
Printed Name:  
Title:

**HEARTLAND BOYS III, L.P.**

By: \_\_\_\_\_  
Printed Name:  
Title:

**121 WILSHIRE BLVD LLC**

By: \_\_\_\_\_  
Printed Name:  
Title:

**ZTA RENTAL PROPERTIES, L.P.**

By: \_\_\_\_\_  
Printed Name:  
Title:

**HEARTLAND RENTAL PROPERTIES  
LLC**

By: \_\_\_\_\_  
Printed Name:  
Title:

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

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

That I have compared the 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 22nd day of November, 2016, 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 22nd day of November, 2016.

By \_\_\_\_\_  
Assistant Secretary

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR NOVEMBER 22, 2016

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**AGENDA ITEM #5**

**TYPE OF RESOLUTION:** RESOLUTION AUTHORIZING

**COMPANY:** ELM FREIGHT HANDLERS INC.

**PROJECT LOCATION:** 50 EMJAY BOULEVARD,  
BRENTWOOD, NY

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

**INVESTMENT:** \$



Date: November 22, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”) held on the 22nd day of November, 2016, at Islip Town Hall, 655 Main Street, Islip, New York 11751, 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 ELM Freight Handlers 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 PERTAINING TO THE  
CONSENT TO THE SUBLEASING OF A PORTION OF THE  
ELM FREIGHT HANDLERS INC. 2014 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 ELM Freight Handlers Inc., a business corporation duly organized and validly existing under the laws of the State of New York, having its principal office at 50 Emjay Boulevard, Brentwood, New York 11717 (the “**Company**”), in the acquisition of an interest in a portion of an approximately 31.5 acre parcel of land at 50 Emjay Boulevard, Brentwood, Town of Islip, Suffolk County, New York (the “**Land**”) owned by Brentwood Steel, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware and authorized to conduct business in the State of New York, having an address at c/o Steel Equities, 700 Hicksville Road, Bethpage, New York 11714 (“**Brentwood Steel**”), Brentwood Steel A, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware and authorized to conduct business in the State of New York, having an address at 700 Hicksville Road, Bethpage, New York 11714 (“**Brentwood Steel A**”) and Brentwood Steel J, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware and authorized to conduct business in the State of New York, having an address at 700 Hicksville Road, Bethpage, New York 11714 (“**Brentwood Steel J**”), as tenants-in-common (collectively, the “**Landlord**”), the renovation of a portion of an approximately 550,000 square foot building (the “**Building**”) located 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**”), all to be sub-subleased and leased by the Agency to the Company for use in its warehousing and logistics services for local and national companies; and

WHEREAS, the Landlord has leased the Land and a portion of the Building to the Company pursuant to a certain Lease, dated April 10, 2014 (the “**Master Lease Agreement**”), by and between the Landlord and the Company; and

WHEREAS, the Agency acquired a subleasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of June 1, 2014 (the “**Company Lease**”), by and between the Company, as sublessor, and the Agency, as sublessee; and

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

WHEREAS, the Company is currently in negotiations to enter into a certain Amended and Restated Sublease, dated a date to be determined (the "**Tenant Lease**"), whereby the Company will agree to sub-sublease an approximately 51,400 square foot portion of the Facility (the "**Demised Premises**") to Mana Products, Inc. (the "**Tenant**"), to be used for dry storage and warehouse purposes; and

WHEREAS, the Company has requested that the Agency consent to the subleasing of the Demised Premises to 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, 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 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 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 sublease 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 sublease 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 sublease of the Facility 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) is hereby approved.

Section 4.

(a) 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 Tenant Agency Compliance Agreement in the form 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, Vice Chairman, 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, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, 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 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 22nd day of November, 2016, 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 22nd day of  
November, 2016.

By \_\_\_\_\_  
Assistant Secretary



**TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR NOVEMBER 22, 2016**

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**AGENDA ITEM # 6**

**TYPE OF RESOLUTION: RESOLUTION AUTHORIZING**

**COMPANY: MACY ESTATES**

**PROJECT LOCATION: 46 ISLIP AVE, ISLIP, NY**

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

**INVESTMENT: N/A**

Date: November 22, 2016

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 22nd day of November, 2016, 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 (Macy Estates, LLC 2015 Facility) and approving the execution and delivery of related documents.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL  
DEVELOPMENT AGENCY AUTHORIZING MORTGAGE  
FINANCING AND THE EXECUTION AND DELIVERY OF  
LOAN DOCUMENTS IN CONNECTION THEREWITH FOR  
MACY ESTATES, LLC 2015 FACILITY AND APPROVING  
THE FORM, SUBSTANCE, EXECUTION AND DELIVERY OF  
SUCH RELATED DOCUMENTS

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

WHEREAS, the Agency has previously provided assistance to Macy Estates, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the "**Company**"), in the acquisition of an approximately 2.29 acre parcel of land located at 40-46 Islip Avenue, Islip, New York 11751 (the "**Land**"), the demolition of three (3) existing buildings, the construction of twenty (20) new apartments totaling approximately 24,000 square feet, the renovation of an approximately 8,000 square foot building located on the Land (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**"), all of which is to be leased by the Agency to the Company for its primary use as a senior citizen residential community; and

WHEREAS, the Company is leasing the Land and the Improvements to the Agency pursuant to a certain Company Lease Agreement, dated as of June 1, 2015 (the "**Company Lease**"), by and between the Company and the Agency; and

WHEREAS, the Agency is leasing the Facility to the Company pursuant to a certain Lease Agreement, dated as of June 1, 2015 (the "**Lease Agreement**"), by and between the Agency, as lessor and the Company, as lessee; and

WHEREAS, the Company has now requested that the Agency consent to enter into a refinancing with Flushing Bank (the "**Lender**") with respect to the Facility in the aggregate principal amount presently expected to be \$6,500,000 but not to exceed \$7,000,000 (the "**2016 Loan**"); and

WHEREAS, as security for such 2016 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 "**2016 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 (other than the portion of the mortgage recording tax allocated to transportation districts referred to in Section 253(2)(a) of the Tax Law) securing the principal amount presently estimated to be \$6,500,000 but not to exceed \$7,000,000 in connection with the financing or refinancing of the acquisition, demolition, construction, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, demolishing, constructing, renovating and equipping the Facility; and

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

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

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

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act.
- (b) The Facility continues to constitute a “project” as such term is defined in the Act.
- (c) The financing or refinancing of the acquisition, demolition, construction, renovation and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Islip, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.
- (d) The financing or refinancing of the acquisition, demolition, construction, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (e) Based upon representations of the Company and counsel to the Company, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Islip and all regional and local land use plans for the area in which the Facility is located.
- (f) It is desirable and in the public interest for the Agency to assist in the refinancing of the acquisition, demolition, construction, renovation and equipping of the Facility.

- (g) The 2016 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2016 Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency's Unassigned Rights as defined therein).

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage on and security interest in and to the Facility pursuant to a certain mortgage and security agreement for the benefit of the Lender (the "**2016 Mortgage**"), (ii) execute, deliver and perform the 2016 Mortgage, and (iii) execute, deliver and perform the 2016 Loan Document to which the Agency is a party, as may be necessary or appropriate to effect the 2016 Loan or any subsequent refinancing of the 2016 Mortgage.

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2016 Loan Documents and the 2016 Mortgage, and such other related documents as may be necessary or appropriate to effect the 2016 Loan, or any subsequent refinancing of the 2016 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, renovating and equipping of the Facility without need for any further or future approvals of the Agency.

Section 4.

(a) Subject to the provisions of this resolution and the Lease Agreement; the Chairman, Executive Director, and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the 2016 Mortgage and 2016 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, or any member of the Agency shall constitute conclusive evidence of such approval; and

(b) The Chairman, 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. 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 8. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. By acceptance hereof, the Company agrees to pay such expenses and further agrees 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 9. This resolution shall take effect immediately.

ADOPTED: November 22, 2016

ACCEPTED: \_\_\_\_\_ 2016

**MACY ESTATES, LLC**

By: \_\_\_\_\_

Name:



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 November 22, 2016, 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 22nd day of November, 2016.

By: \_\_\_\_\_  
Assistant Secretary