



MEETING OF THE TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY

March 8, 2022

Agenda

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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 **February 8, 2022**.
3. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve a Resolution **appointing Brad Hemingway** as Deputy Executive Director.
4. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **Venture One Acquisitions, LLC**. Located at 0 Veterans Memorial Highway, Bohemia. (N/E/C Veterans Memorial Highway & First Street). 0500-147.00-01.00-030.000 and 097.000.
5. To consider the adoption of a Resolution between the Town of Islip Industrial Development Agency and **Steel 555 NRP, LLC**, to Consent to Sublease additional space to ELM Freight Handlers, Inc.
6. To consider **any other business** to come before the Agency.



MEETING OF THE TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY

February 8, 2022

Meeting Minutes

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1. Call the meeting of the Town of Islip Industrial Development Agency to order on a motion by Chairwoman Angie M. Carpenter and seconded by Councilman James P. O'Connor said motion was approved 5-0.

Members Angie M. Carpenter, Councilman John C. Cochrane Jr., Councilwoman Mary Kate Mullen and Councilman James P. O'Connor, Councilman Jorge C. Guadron were present and the Chairwoman acknowledge a quorum.

2. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the **Minutes** from the meeting on **January 11, 2022**. On a motion by Councilman John C. Cochrane Jr., and seconded by Councilwoman Mary Kate Mullen, said motion was approved 5-0.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Venture One Acquisitions, LLC**. Located at 0 Veterans Memorial Highway, Bohemia. (N/E/C Veterans Memorial Highway & First Street) (0500-12600-0100-002001, 19700-0100-03000 & 19700-0100-097000). On a motion by Councilwoman Mary Kate Mullen and seconded by Councilman James P. O'Connor, said motion approved 5-0.
4. To consider the adoption of an Authorizing Resolution of the Town of Islip Industrial Development Agency granting a PILOT extension for **Briad Lodging Group Central Islip, LLC. 2012 Facility**. Located at N/E Corner of Carleton Avenue and Courthouse Drive, Central Islip. (0500-20700-0100-003056). On a motion by Councilman John C. Cochrane Jr., and seconded by James P. O'Connor, said motion was approved 5-0.
5. To consider the adoption of an Authorizing Resolution of the Town of Industrial Development Agency granting a PILOT extension for **Briad Lodging Group CI 2, LLC. 2015 Facility**. Located at 11 Courthouse Drive, Central Islip. (0500-20700-0100-003058). On a motion by Councilwoman Mary Kate Mullen and seconded by Councilman James P. O'Connor, said motion was approved 5-0.
6. To consider the adoption of a Resolution authorizing a one-year agreement between the Town of Islip Industrial Development Agency and **JVC Broadcasting**. Located at 811 W. Jericho Turnpike #109E, Smithtown. On a motion by Councilman James P. O'Connor and seconded by Councilman John C. Cochrane Jr, said motion was approved 5-0.
7. To consider **any other business** to come before the Agency there being none the meeting adjourned by a motion by Chairwoman Angie M. Carpenter and seconded by Councilwoman Mary Kate Mullen.

**TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR**

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**AGENDA ITEM #3**

**TYPE OF RESOLUTION: APPOINTING BRAD HEMINGWAY  
AS DEPUTY EXECUTIVE DIRECTOR**

**COMPANY: N/A**

**PROJECT LOCATION: N/A**

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

**INVESTMENT: \$N/A**

Date: March 8, 2022

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 8th day of March, 2022, 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 vacancy of the position of Deputy Executive Director of the Town of Islip Industrial Development Agency.

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 APPOINTING BRAD HEMINGWAY  
AS DEPUTY EXECUTIVE DIRECTOR OF THE TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY

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 (collectively, the “Act”), the Town of Islip Industrial Development Agency (the “Agency”) was created with the authority and power, among other things, to promote, develop, encourage and assist in the acquisition, construction, improvement, maintenance, equipping and furnishing of certain industrial, manufacturing, warehousing, commercial, research, and recreation facilities as authorized by the Act in order to promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Islip, New York and of the State of New York and to improve their standard of living

WHEREAS, Article 5, Section 4 of the By-Laws of the Agency establishes the position of Deputy Executive Director; and

WHEREAS, said Deputy Executive Director has the ability to, under the By-Laws, act in the place of the Executive Director when the Executive Director is absent; and

WHEREAS, Brad Hemingway has been determined by the Board of the Agency to hold the requisite experience and qualifications to serve effectively in this position.

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

Section 1. Brad Hemingway is hereby appointed as the Deputy Executive Director of the Town of Islip Industrial Development Agency and shall have all of the responsibilities and powers incumbent upon that position as contained in the By-Laws.

Section 2. The Agency is hereby authorized to do all things necessary or appropriate for the accomplishment of the purposes of this resolution, and all acts heretofore taken by the Agency are hereby approved, ratified and confirmed.

Section 3. This resolution shall take effect immediately.



**TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR MARCH 8, 2022**

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**AGENDA ITEM #4**

**TYPE OF RESOLUTION: AUTHORIZING RESOLUTION**

**COMPANY: VENTURE ONE ACQUISITIONS, LLC.**

**PROJECT LOCATION: N/E/C OF VETERANS  
MEMORIAL HIGHWAY & 1<sup>ST</sup> AVE, BOHEMIA**

**JOBS (RETAINED/CREATED): RETAINED - 00 -  
CREATE - 20 -**

**INVESTMENT: \$20,973,950.00**

Date: March 8, 2022

At a meeting of the Town of Islip Industrial Development Agency (the “Agency”), held at 40 Nassau Avenue, Islip, New York 11751 on the 8th day of March, 2022 the following members of the Agency were:

Present

Excused Absence:

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 acquisition of a leasehold and subleasehold interest in a certain industrial development facility more particularly described below (Venture One Acquisitions, LLC 2022 Facility) and the leasing of the facility to Venture One Acquisitions, LLC for subleasing by Venture One Acquisitions, LLC to future tenants.

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

Voting Aye

Voting Nay

Abstain

and, therefore, the resolution was declared duly adopted.



RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF VENTURE ONE ACQUISITIONS, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF VENTURE ONE ACQUISITIONS, LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING AND EQUIPPING AN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

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

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

WHEREAS, Venture One Acquisitions, LLC, a Illinois limited liability company, on behalf of itself and/or the principals of Venture One Acquisitions, 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 4.98 acre parcel of land located at the northeast corner of Veterans Memorial Highway and 1st Avenue, Bohemia, New York (the “**Land**”), the construction and equipping thereon of a building totaling approximately 75,416 square feet (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company, and subleased by the Company to various tenants (the “**Tenants**”), for use as an industrial warehouse space (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on February 8, 2022 (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 a fee interest in the Improvements pursuant to a certain Company Lease Agreement, dated as of March 1, 2022, 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 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 March 1, 2022, 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, as security for a Loan or Loans (as such term is defined in the Lease Agreement), the Agency and the Company will execute and deliver to a lender or lenders not yet determined (collectively, the “**Lender**”), a mortgage or mortgages, and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required by the Lender, to be dated a date to be determined, in connection with the financing, any refinancing or permanent financing of the costs of the acquisition, construction, and equipping of the Facility (collectively, the “**Loan Documents**”); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company, consistent with the policies of the Agency, in the form of: (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$12,584,370 but not to exceed \$15,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$94,383, but not to exceed \$112,500, in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$388,125, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency; and

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

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

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

Section 1. The Agency 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 it intends to provide twenty (20) full time employees within the second year after completion of the Facility; and

(d) The acquisition, construction and equipping of the Facility, the subleasing and leasing of the Facility to the Company 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.

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

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

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

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

(i) The Lease Agreement will be an effective instrument whereby the Agency subleases and 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

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

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

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

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

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

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, construction and equipping of the Facility in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$12,584,370 but not to exceed \$15,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$94,383, but not to exceed \$112,500, in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$388,125, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency.

Section 7. Subject to the provisions of this resolution, the Company 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 \$388,125, in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time. The aforesaid appointment of the Company is subject to the execution of the documents contemplated by this resolution.

Section 8. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement. The Company is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company, as agent of the Agency pursuant to this Authorizing Resolution, are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement.

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

Section 10.

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

(b) The Chairman, 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 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 March 8, 2022, 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 8th day of March, 2022.

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Assistant Secretary

EXHIBIT A

Proposed PILOT Benefits

Formula for In-Lieu-of-Taxes Payment: The 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.

Unaddressed parcel of land located at the northeast corner of Veterans Memorial Highway and 1st Avenue, Bohemia, New York (app. 4.98 acres)

Tax Map No. 0500-126.00-01.00-002.001 and 0500-197.00-01.00-030.000 & 097.000

Definitions

X = \$110,100 (current assessed value of vacant land of three parcels combined)

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

Year

1	100% normal tax on X and 0% normal tax on Y
2	100% normal tax on X and 10% normal tax on Y
3	100% normal tax on X and 20% normal tax on Y
4	100% normal tax on X and 30% normal tax on Y
5	100% normal tax on X and 40% normal tax on Y
6	100% normal tax on X and 50% normal tax on Y
7	100% normal tax on X and 60% normal tax on Y
8	100% normal tax on X and 70% normal tax on Y
9	100% normal tax on X and 80% normal tax on Y
10	100% normal tax on X and 90% normal tax on Y
11 and thereafter	100% normal tax on X and 100% normal tax on Y

Company to pay X during construction period. PILOT to commence in tax year following company receipt of C of O



TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR MARCH 8, 2022

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**AGENDA ITEM #5**

**TYPE OF RESOLUTION:** RESOLUTION TO CONSENT TO  
SUBLEASE

**COMPANY:** STEEL 555 NRP, LLC/ELM FREIGHT  
HANDLERS, INC.

**PROJECT LOCATION:** 555 N. RESEARCH PLACE,  
CENTRAL ISLIP

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

**INVESTMENT:** \$N/A

Date: March 8, 2022

At a meeting of the Town of Islip Industrial Development Agency (the “Agency”), held at 40 Nassau Avenue, Islip, New York 11751 on the 8th day of March, 2022 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 the balance of the 555 N Research Corporation/CVD Materials Corporation 2017 Facility to ELM Freight Handlers Inc. 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 THE BALANCE OF THE 555 N RESEARCH CORPORATION/CVD MATERIALS CORPORATION 2017 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 assisted the 555 N Research Corporation (the “Original Company” and “Assignor”), in connection with the (a) the acquisition of an approximately 11.88 acre parcel of land located at 555 North Research Place, Central Islip, New York 11722 (the “Land”), the renovation of an approximately 179,000 square foot building located thereon, together with the acquisition, installation and equipping of improvements, structures and other related facilities attached to the Land (the “Original Improvements”) and the acquisition and installation therein of certain equipment not part of the Original Equipment (as such term is defined herein) (the “Original Facility Equipment”; and, together with the Land and the Improvements, the “Original Company Facility”), which Original Company Facility is leased and subleased by the Agency to the Original Company and further subleased by the Original Company to CVD Materials Corporation, a New York business corporation (the “Original Sublessee”); and (b) the acquisition and installation of certain equipment and personal property (the “Original Equipment”, and together with the Original Company Facility, the “Original Facility”), which Original Equipment is leased by the Agency to the Original Sublessee, and which Original Facility is currently used by the Original Sublessee for its primary use as a manufacturing facility to process surface treatments or films and coatings on various product lines in its business as a manufacturer of equipment and materials for the semiconductor industry (the “Original Project”); and

WHEREAS, the Agency previously acquired a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of November 1, 2017 (the “Original Company Lease”), by and between the Original Company and the Agency; and

WHEREAS, the Agency previously subleased and leased the Original Facility to the Original Company pursuant to a certain Lease and Project Agreement, dated as of November 1, 2017 (the “Original Lease Agreement”), by and between the Agency and the Original Company; and

WHEREAS, the Agency previously consented to a request from the Original Company 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 to, and the assumption by STEEL 555 NRP, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware (the “**Company**” and “**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 (the “**Assignment**”), all pursuant to the terms of a certain Assignment Assumption and Agreement, dated July 26, 2022 (the “**Assignment Agreement**”), by and among the Agency, the Original Company and the Company; and

WHEREAS, in connection with the Assignment, the Agency has provided assistance in connection with (a) the acquisition of the Original Facility, (b) the renovation of the Original Improvements (the Original Improvements, as renovated, are the “**Improvements**”), and (c) the acquisition and installation of certain equipment and personal property (the “**Equipment**”, and together with the Land and Improvements, the “**Facility**”), which Facility will be leased by the Assignee to ELM Freight Handlers Inc., a business corporation duly organized and validly existing under the laws of the State of New York (the “**Tenant**”), and other future tenants to be determined (the “**Project**”); and

WHEREAS, the Original Company Lease was assigned by the Original Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Company Lease Agreement, to be dated July 26, 2021 (the “**Assignment of Company Lease Agreement**”, and together with the Original Company Lease and the Assignment Agreement, the “**Company Lease**”), by and between the Original Company and the Assignee and consented to by the Agency; and

WHEREAS, the Original Lease Agreement was assigned by the Original Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Lease Agreement, dated July 26, 2021 (the “**Assignment of Lease Agreement**”, and together with the Original Lease Agreement and the Assignment Agreement, the “**Lease Agreement**”), by and between the Original Company and the Assignee, and consented to by the Agency; and

WHEREAS, the Assignee transferred title to the Equipment to the Agency pursuant to a certain Bill of Sale, dated the date hereof (the “**Bill of Sale**”); and

WHEREAS, the Company previously subleased approximately 85,000 square feet of the Facility (the “**Demised Premises**”) to the Tenant, consisting of (i) an approximately 45,000 square foot portion of the Facility pursuant to a certain Lease dated as of May 31, 2019, and (ii) an approximately 40,000 square foot portion of the Facility pursuant to a certain Lease dated as of November 23, 2020 (collectively, the “**Tenant Lease Agreement**”), by and between the Company and the Tenant, which may be amended from time to time; and

WHEREAS, the Company has now requested that the Agency consent to the Company subleasing the remaining approximately 94,000 square feet of the Facility to the

Tenant for a total of approximately 179,000 square feet of space pursuant to a certain Tenant Lease, dated a date to be determined, between the Company and the Tenant; and

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

WHEREAS, the Agency will consent to the subleasing by the Company to the Tenant of the Facility and such consent may be manifested by the execution and delivery of a Tenant Agency Compliance Agreement, to be dated March 8, 2022, between the Agency and the Tenant (the “**Tenant Agency Compliance Agreement**”); and

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

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

Section 1. The Agency hereby finds and determines:

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

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

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

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

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

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

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

Section 4.

(a) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Tenant Agency Compliance Agreement in the form the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

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

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 6. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “Agency”), including the resolutions contained therein, held on the 8th day of March, 2022, 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 March 8, 2022.

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