

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY PERTAINING TO THE CONSENT TO THE SUBLEASING OF THE 80 WILSHIRE BLVD. L.P. 2019 FACILITY AND APPROVING THE FORM, SUBSTANCE, EXECUTION AND DELIVERY OF RELATED DOCUMENTS, TAKING OFFICIAL ACTION TOWARD APPOINTING ENTOURAGE COMMERCE, LLC, A DELAWARE LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF ENTOURAGE COMMERCE, LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING AND INSTALLING EQUIPMENT IN THE FACILITY AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE ACQUISITION AND INSTALLATION OF THE EQUIPMENT IN THE FACILITY

WHEREAS, the Town of Islip Industrial Development Agency (the “**Agency**”), previously provided its assistance to 80 Wilshire Blvd. L.P., a New York limited partnership (the “**Company**”), in the acquisition of an approximately 20.02 acre parcel of land located at 80 Wilshire Boulevard, Edgewood, New York 11717 (the “**Land**”), the construction and equipping of an approximately 231,000 square feet building located thereon and the acquisition and installation therein of certain equipment and personal property (the “**Improvements**” and “**Equipment**”; and together with the Land, the “**Company Facility**”), which Company Facility is leased by the Agency to the Company and used by the Company as an industrial space to be leased to commercial tenants for warehousing and/or light industrial use; and

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

WHEREAS, the Agency is leasing and subleasing the Company Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of November 1, 2019 (the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Company is in negotiations to sublease the Company Facility to Entourage Commerce, LLC, a limited liability company organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Entourage Commerce, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), pursuant to certain sublease agreement, dated a date to be determined (the “**Sublease Agreement**”), by and between the Company and the Sublessee, to be used as a warehouse, distribution and replenishment center in the Sublessee’s business as an E-commerce seller and E-distributor for health and beauty, haircare, fragrance, and makeup products; and

WHEREAS, the Company has requested that the Agency consent to the subleasing of the Company Facility to the Sublessee; and

WHEREAS, the Company 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 of this resolution; and

WHEREAS, in connection with the subleasing of the Company Facility, the Sublessee has submitted its application for financial assistance (the “**Application**”) to the Agency to enter into a transaction in which the Agency will assist in the acquisition of title to or a leasehold interest in and the installation of certain equipment and personal property, including but not limited to an HVAC system, racking, power equipment and office furniture (the “**2020 Equipment**”; and together with the Company Facility, the “**Facility**”), which 2020 Equipment is to be leased by the Agency to the Sublessee, and which Facility is to be used as a warehouse, distribution and replenishment center in the Sublessee’s business as an E-commerce seller and E-distributor for health and beauty, haircare, fragrance, and makeup products (the “**Project**”); and

WHEREAS, the Agency, will acquire title to or a leasehold interest in the 2020 Equipment and will lease the 2020 Equipment to the Sublessee, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Sublessee in the form of exemptions from sales and use taxes in connection with the acquisition and installation of the 2020 Equipment in the Company Facility and any repairs and renovations to the Facility necessary to accommodate the installation of the 2020 Equipment in the Facility, all consistent with the policies of the Agency, to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, as of the date of this resolution, no determination for financial assistance has been made; and

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

WHEREAS, prior to the date of the Hearing (defined below), the Agency will have prepared a cost/benefit analysis with respect to the proposed financial assistance; and

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

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

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

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

WHEREAS, the Sublessee 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 2020 Equipment by the Agency to the Sublessee; and

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

WHEREAS, to aid the Agency in determining whether the installation of the 2020 Equipment may have a significant effect upon the environment, the Sublessee has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the “**Questionnaire**”) with respect to the 2020 Equipment, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency.

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

Section 1. Based upon the Environmental Assessment Form completed by the Sublessee and reviewed by the Agency and other representations and information furnished by the Sublessee regarding the 2020 Equipment, the Agency determines that the action relating to the acquisition and installation of the 2020 Equipment is a Type II action under SEQR and therefore, does not require further environmental review.

Section 2. The Agency hereby finds and determines:

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

(b) The subleasing of the Company Facility to the Sublessee 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) Based on the certification of the Sublessee in the Application, the occupancy of the Company Facility by the Sublessee shall not result in the removal of a facility or plant of the Sublessee from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Sublessee located within the State; unless: (i) such occupation of the Company Facility is reasonably necessary to discourage the Sublessee from removing such other plant or facility to a location outside the State, or (ii) such occupation of the Company Facility is reasonably necessary to preserve the competitive position of the Sublessee in its industry; and

(d) It consents to the subleasing of the Company Facility to the Sublessee; and

(e) The execution of this resolution will satisfy the requirement of Section 9.3 of the Lease Agreement that any subleasing of the Company Facility be consented to in writing by the Agency.

Section 3. The acquisition and installation of the 2020 Equipment by the Agency, the leasing of the 2020 Equipment to the Sublessee and the provision of financial assistance pursuant to the Act will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Islip and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act, and the same is, therefore, approved.

Section 4. Subject to the provisions of this resolution, the Agency shall (i) acquire and install the 2020 Equipment; and (ii) lease the 2020 Equipment to the Sublessee.

Section 5. The Sublessee is hereby notified that it will be required to comply with Section 875 of the Act. The Sublessee shall be required to agree to the terms of Section 875 pursuant to the Agency Compliance Agreement, dated a date to be determined (the “**Agency Compliance Agreement**”), by and between the Sublessee and the Agency. The Sublessee is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Sublessee as agent of the Agency pursuant to this resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement and the Agency Compliance Agreement.

Section 6. Counsel to the Agency is authorized and directed to work with Transaction Counsel (Nixon Peabody LLP) to prepare, for submission to the Agency, all documents necessary to affect the transfer of the real estate and personal property described in the foregoing resolution.

Section 7. The Chairman, the Executive Director, the Deputy Executive Director and all members of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and the Sublessee, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 8. Any expenses incurred by the Agency with respect to the Facility, including the expenses of Transaction Counsel, shall be paid by the Sublessee. The Sublessee 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 Facility.

Section 9. This resolution shall take effect immediately.

ADOPTED: April 21, 2020

STATE OF NEW YORK )

COUNTY OF SUFFOLK ) : SS.:

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

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

Such resolution was passed at a meeting of the Agency held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-4-21-2020.html>, on the 21st day of April, 2020, at which meeting the following members were:

Present: Chairwoman Angie M. Carpenter  
Councilwoman Trish Bergin Weichbrodt  
Councilman John C. Cochrane Jr.  
Councilwoman Mary Kate Mullen  
Councilman James P. O’Connor

Absent:

Also Present:

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

Voting Aye

Chairwoman Angie M. Carpenter  
Councilwoman Trish Bergin Weichbrodt  
Councilman John C. Cochrane Jr.  
Councilwoman Mary Kate Mullen  
Councilman James P. O’Connor

and, therefore, the resolution was declared duly adopted.

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

I FURTHER CERTIFY, because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 220.1 issued on March 12, 2020, suspending the Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, the Agency's Board Meeting on April 21, 2020 (the "**Board Meeting**"), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency's website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-4-21-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency's website, and that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of April 21, 2020.

  
Assistant Secretary



EXHIBIT A

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**NOTICE OF PUBLIC HEARING**

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**NOTICE IS HEREBY GIVEN** that a public hearing pursuant to Title 1 of Article 18-A of the New York State General Municipal Law will be held by the Town of Islip Industrial Development Agency on the \_\_\_\_ day of May, 2020, at \_\_\_\_\_ .m., local time, electronically via [conference call][webinar] in connection with the following matters:

Entourage Commerce, LLC, a limited liability company organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Entourage Commerce, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), 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 title to or a leasehold interest in and the installation of certain equipment and personal property, including but not limited to an HVAC system, racking, power equipment and office furniture (the “**2020 Equipment**”), which 2020 Equipment is to be leased by the Agency to the Sublessee, and installed in the Sublessee’s facility located at 80 Wilshire Boulevard, Edgewood, New York 11717 (the “**Company Facility**”; and together with the 2020 Equipment, the “**Facility**”), which Company Facility is sub-subleased from 80 Wilshire Blvd. L.P. (the “**Company**”), to the Sublessee pursuant to the Sublease Agreement (defined below), and which Facility is to be used as a warehouse, distribution and replenishment center in the Sublessee’s business as an E-commerce seller and E-distributor for health and beauty, haircare, fragrance, and makeup products (the “**Project**”). The 2020 Equipment will be initially owned, operated and/or managed by the Sublessee.

The Agency previously acquired a leasehold interest in the Company Facility pursuant to a Company Lease Agreement, dated as of November 1, 2019 (the “**Company Lease**”), by and between the Company and the Agency.

The Agency is subleasing the Company Facility to the Company pursuant to a Lease and Project Agreement, dated as of November 1, 2019 (the “**Lease Agreement**”), by and between the Agency and the Company.

The Company will sub-sublease the Company Facility to the Sublessee pursuant to a certain sublease agreement, dated a date to be determined (the “**Sublease Agreement**”), by and between the Company and the Sublessee.

The Agency contemplates that it will provide financial assistance to the Sublessee in the form of exemptions from sales and use taxes in connection with the acquisition and installation of the 2020 Equipment in the Company Facility and any repairs and renovations to the Facility necessary to accommodate the installation of the 2020 Equipment in the Facility, all consistent with the policies of the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Sublessee or the location or nature of the Facility. Members of the public may [listen to] [view] the Public Hearing and comment on the Project and the benefits to be granted to the Sublessee by the Agency during the Public Hearing by [insert instructions to dial into the conference call or log into the webinar]. Comments may also be submitted to the Agency in writing or electronically. Minutes of the Public Hearing will be transcribed and posted on the Agency's website. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Sublessee with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: April \_\_, 2020

TOWN OF ISLIP INDUSTRIAL  
DEVELOPMENT AGENCY

By: William G. Mannix  
Title: Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON  
MAY \_\_, 2020

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY  
(ENTOURAGE COMMERCE, LLC 2020 FACILITY)

\_\_\_\_\_

Section 1. \_\_\_\_\_, \_\_\_\_\_ of the Town of Islip Industrial Development Agency (the “**Agency**”) called the hearing to order.

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

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

Entourage Commerce, LLC, a limited liability company organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Entourage Commerce, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), 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 title to or a leasehold interest in and the installation of certain equipment and personal property, including but not limited to an HVAC system, racking, power equipment and office furniture (the “**2020 Equipment**”), which 2020 Equipment is to be leased by the Agency to the Sublessee, and installed in the Sublessee’s facility located at 80 Wilshire Boulevard, Edgewood, New York 11717 (the “**Company Facility**”; and together with the 2020 Equipment, the “**Facility**”), which Company Facility is sub-subleased by 80 Wilshire Blvd. L.P. (the “**Company**”), to the Sublessee pursuant to the Sublease Agreement (defined below), and which Facility is to be used as a warehouse, distribution and replenishment center in the Sublessee’s business as an E-commerce seller and E-distributor for health and beauty, haircare, fragrance, and makeup products (the “**Project**”). The 2020 Equipment will be initially owned, operated and/or managed by the Sublessee.

The Agency previously acquired a leasehold interest in the Company Facility pursuant to a Company Lease Agreement,

dated as of November 1, 2019 (the “**Company Lease**”), by and between the Company and the Agency.

The Agency is subleasing the Company Facility to the Company pursuant to a Lease and Project Agreement, dated as of November 1, 2019 (the “**Lease Agreement**”), by and between the Agency and the Company.

The Company will sub-sublease the Company Facility to the Sublessee pursuant to a certain sublease agreement, dated a date to be determined (the “**Sublease Agreement**”), by and between the Company and the Sublessee.

The Agency contemplates that it will provide financial assistance to the Sublessee in the form of exemptions from sales and use taxes in connection with the acquisition and installation of the 2020 Equipment in the Company Facility and any repairs and renovations to the Facility necessary to accommodate the installation of the 2020 Equipment in the Facility, all consistent with the policies of the Agency.

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

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

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

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

That I have compared the foregoing copy of the minutes of a public hearing held by the Town of Islip Industrial Development Agency (the “**Agency**”) on the \_\_\_\_ day of May, 2020, at \_\_\_\_\_ .m., local time, electronically via [conference call][webinar], with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

IN WITNESS WHEREOF, I have hereunto set my hand as of May \_\_\_, 2020.

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