



MEETING OF THE TOWN OF ISLIP

INDUSTRIAL DEVELOPMENT AGENCY

October 22, 2019

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 **September 24, 2019**.
3. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the **2020 IDA budget**.
4. To consider the adoption of a Resolution Authorizing the Town of Islip Industrial Development Agency to provide financial assistance for a sewer main extension to the **Central Islip Commercial Corridor**.
5. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve a resolution to amend and re-adopt the **Uniform Tax Exemption Policy**.
6. To consider **any other business** to come before the Agency.



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

September 24, 2019

Meeting Minutes

1. Call the meeting of the Town of Islip Industrial Development Agency to order on a motion by Councilman John C. Cochrane Jr. and seconded by Councilwoman Mary Kate Mullen.

Members Angie M. Carpenter, Councilwoman Mary Kate Mullen, Councilman John C. Cochrane Jr. Councilman James P. O'Connor and Councilwoman Trish Bergin Weichbrodt were absent. The Chairwoman acknowledged a quorum.

2. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the **Minutes** from the meeting on August 20, 2019. On a motion by Councilman John C. Cochrane Jr. and seconded by Councilwoman Mary Kate Mullen, said motion approved 3-0.
3. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt a **Whistleblower Policy**. On a motion by Councilwoman Mary Kate Mullen and seconded by Councilman John C. Cochrane Jr., said motion was approved 3-0.
4. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt a **Property Disposition Policy**. On a motion by Councilman John C. Cochrane Jr. and seconded by Councilwoman Mary Kate Mullen, said motion was approved 3-0.
5. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to authorize an Assignment and Assumption of the **267 Carleton Project**. On a motion by Councilwoman Mary Kate Mullen and seconded by Councilman John C. Cochrane Jr., said motion was approved 3-0.
6. To consider **any other business** to come before the Agency. The meeting of the Town of Islip Industrial Development Agency was adjourned on a motion from Councilman John C. Cochrane Jr. and seconded by Councilwoman Mary Kate Mullen.

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR OCTOBER 22, 2019**

AGENDA ITEM # 3

TYPE OF RESOLUTION: TO APPROVE THE 2020 IDA
BUDGET

COMPANY: N/A

PROJECT LOCATION: N/A

JOBS (RETAINED/CREATED): RETAINED - N/A -
CREATE - N/A -

INVESTMENT: \$ N/A

October 22, 2019

WHEREAS, the Public Authority Accountability Act of 2005 requires that all Industrial Development Agencies submit an annual budget to the New York State Authority Budget Office

On a motion by

and

Seconded by

∴ be it approved.

RESOLVED, that the 2020 Operating Budget for the Town of Islip Industrial Development Agency in summary is hereby

Upon a vote being taken the result was:

TOWN OF ISLIP

Budget Preparation Report

Fiscal Year: 2020 Period From: 1 To: 12

Account	Description	2017 Actual	2018 Actual	Original 2019 Budget	Adjusted 2019 Budget	2019 Actual Per 1-12	2020 PREL BUD Stage	Variance To PREL BUD Stage
Type R	Revenue							
YD.0000.01002.09	APPRO F BAL GENERAL	0.00	0.00	538,900.00	538,900.00	0.00	573,034.00	6.33%
YD.0000.02301.04	IDA PMTS - HOLDING.I.D.A.	17,730,012.07	18,428,940.92	18,320,600.00	18,320,600.00	20,833,742.32	21,487,000.00	17.28%
YD.0000.02401.04	INTEREST I.D.A.	20,313.11	56,483.64	7,000.00	7,000.00	8,679.43	7,000.00	0.00%
YD.0000.02416.04	AGENCY FEES.I.D.A.	598,631.24	1,421,124.58	100,000.00	100,000.00	994,940.93	100,000.00	0.00%
TotalDept 0000		(18,348,956.42)	(19,906,549.14)	(18,966,500.00)	(18,966,500.00)	(21,837,362.68)	(22,167,034.00)	16.87%
Total Type R	Revenue	(18,348,956.42)	(19,906,549.14)	(18,966,500.00)	(18,966,500.00)	(21,837,362.68)	(22,167,034.00)	16.87%
Type E	Expense							
Dept 6410	ECONOMIC DEVELOPMENT							
YD.6410.22100	FURNITURE & FIXTURES..	0.00	0.00	1,500.00	4,000.00	0.00	3,500.00	133.33%
YD.6410.22200	OFFICE EQUIPMENT..	0.00	0.00	2,000.00	2,000.00	801.46	2,000.00	0.00%
YD.6410.41000	OFFICE SUPPLIES	0.00	0.00	0.00	4,000.00	0.00	1,500.00	100.00%
YD.6410.41051	PC PROGRAM PRODUCTS..	0.00	875.00	5,000.00	5,000.00	1,195.00	5,000.00	0.00%
YD.6410.44040	PRINTING & ADVERTISING..	20,523.20	9,768.00	25,000.00	22,000.00	9,761.00	25,000.00	0.00%
YD.6410.44041	ADVERTISING..	89,044.62	140,340.00	135,000.00	135,002.50	83,516.00	200,000.00	48.15%
YD.6410.44044	PROMOTIONAL DONATIONS..	32,600.00	36,996.44	35,000.00	45,000.00	35,186.25	45,000.00	28.57%
YD.6410.45000	OUTSIDE PROFESSIONAL..	7,237.50	18,685.00	35,000.00	24,297.50	11,787.50	35,000.00	0.00%
YD.6410.45003	LIMAFIS FACILITY..	0.00	0.00	0.00	950,000.00	0.00	0.00	0.00%
YD.6410.45045	ADMINISTRATIVE CHARGES..	303,991.47	302,503.51	357,900.00	357,900.00	178,950.00	308,534.00	-13.79%
YD.6410.45050	AUDITING FEES..	20,735.00	21,170.00	30,000.00	30,000.00	21,605.00	30,000.00	0.00%
YD.6410.46455	DUES/SUBSCRIP TION..	6,004.00	5,595.00	7,500.00	7,500.00	6,525.00	8,500.00	13.33%

TOWN OF ISLIP

Budget Preparation Report

Fiscal Year: 2020 Period From: 1 To: 12

Account	Description	2017 Actual	2018 Actual	Original 2019 Budget	Adjusted 2019 Budget	2019 Actual Per 1-12	2020 PREL BUD Stago	Variance To PREL BUD Stago
Type E	Expense							
Dept 6410	ECONOMIC DEVELOPMENT							
YD.6410.46900	MISCELLANEOU S & TRAVEL..	14,446.77	14,509.76	12,000.00	14,500.00	11,320.34	16,000.00	33.33%
Total Dept 6410	ECONOMIC DEVELOPMENT	494,582.56	550,442.71	645,900.00	1,601,200.00	360,647.55	680,034.00	5.28%
Dept 6989	IDA PMTS IN LIEU OF TAXES							
YD.6989.41003	SPECIAL DISTRICTS..	859,645.75	900,200.96	885,000.00	885,000.00	991,713.29	1,100,000.00	24.29%
YD.6989.41004	SCHOOLS..	13,748,274.57	14,306,280.54	14,200,000.00	14,200,000.00	16,302,803.97	16,750,000.00	17.95%
YD.6989.41005	SEWER..	81,041.12	53,014.10	53,000.00	53,000.00	61,469.32	63,000.00	18.87%
YD.6989.41006	SEWER- BENEFIT..	623.18	604.46	600.00	600.00	857.40	1,000.00	66.67%
YD.6989.41008	NYS REAL PROPERTY TAX..	268,884.47	234,617.22	235,000.00	235,000.00	124,052.10	125,000.00	-46.81%
YD.6989.41010	OUT OF COUNTY TUITION	30,242.95	36,520.59	37,000.00	37,000.00	45,607.73	48,000.00	29.73%
YD.6989.41011	TOWN..	1,102,698.47	1,154,122.37	1,160,000.00	1,160,000.00	1,307,200.14	1,400,000.00	20.69%
YD.6989.41012	COUNTY..	1,632,002.50	1,736,940.50	1,750,000.00	1,743,000.00	1,993,348.85	2,000,000.00	14.29%
Total Dept 6989	IDA PMTS IN LIEU OF TAXES	17,723,413.01	18,422,300.74	18,320,600.00	18,313,600.00	20,827,052.80	21,487,000.00	17.28%
Total Type E	Expense	18,217,995.57	18,972,743.45	18,966,500.00	19,914,800.00	21,187,700.35	22,167,034.00	16.87%
Grand Total		(130,960.85)	(933,805.69)	0.00	948,300.00	(649,662.33)	0.00	0.00%

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR OCTOBER 22, 2019

AGENDA ITEM # 4

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION
FOR A ONE MILLION DOLLAR CONTRIBUTION FOR
SEWERS IN THE CENTRAL ISLIP CORRIDOR DISTRICT

COMPANY: N/A

PROJECT LOCATION: N/A

JOBS (RETAINED/CREATED): RETAINED - N/A -
CREATE - N/A -

INVESTMENT: N/A

Date: October 22, 2019

At a meeting of the Town of Islip Industrial Development Agency (the “Agency”) held on the 22nd day of October, 2019, 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 certain matters pertaining to authorizing the Agency to provide financial assistance in connection with a certain sewer main extension to the Central Islip Commercial Corridor in Central Islip 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 THE AGENCY
TO PROVIDE FINANCIAL ASSISTANCE IN CONNECTION
WITH A CERTAIN SEWER MAIN EXTENSION TO THE
CENTRAL ISLIP COMMERCIAL CORRIDOR IN CENTRAL
ISLIP 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 Central Islip commercial corridor (the "**Central Islip Commercial Corridor**"), is located along Carleton Avenue, in the hamlet of Central Islip in the Town of Islip, New York (the "**Town**"); and

WHEREAS, the Central Islip Commercial Corridor is an underdeveloped commercial area of the Town and the Central Islip Commercial Corridor is located in Highly Distressed Area as defined in Section 854(18) of the New York General Municipal Law; and

WHEREAS, the Central Islip Commercial Corridor is also located in a Federal Opportunity Zone and has been designated by the Town as a downtown revitalization initiative ("**DRI**") area and the Town has applied to the State of New York (the "**State**") for DRI funds to help renew and revitalize the Central Islip Commercial Corridor; and

WHEREAS, the Central Islip Commercial Corridor is not served by a sewer system and the commercial, industrial, warehouse and other businesses located in the Central Islip Commercial Corridor utilize cesspools and septic systems, such cesspools and septic systems have the potential to pollute and contaminate the ground water and the underground aquifer thereby jeopardizing the quality and purity of drinking water supplies and potentially leading to run off pollution in the creeks, streams and bays in the Town; and

WHEREAS, the lack of a modern, sanitary, and efficient and environmentally sound sewer system to serve the Central Islip Commercial Corridor has hindered the growth and revitalization of the Central Islip Commercial Corridor and has prevented exiting facilities, buildings and businesses located in the Central Islip Commercial Corridor from expanding and renovating and has prevented new facilities, buildings and businesses from locating to and constructing in the Central Islip Commercial Corridor; and

WHEREAS, the closest sewer systems to the Central Islip Commercial Corridor are the Southwest Sewer District's sewer main located on Suffolk Avenue or the Southwest Sewer District's sewer main interceptor located on Courthouse Drive and (i) connecting the Central Islip Commercial Corridor to the existing sewer main on Suffolk Avenue would

require the construction and installation of a new approximately 4500 foot PVC gravity fed sewer main, and (ii) connecting the Central Islip Commercial Corridor to the existing sewer main on Courthouse Drive would require the construction and installation of a new approximately 9700 foot PVC gravity fed sewer main (collectively, the **"Central Islip Commercial Corridor Sewer Connection Project"**); and

WHEREAS, since the Central Islip Commercial Corridor is located in a Highly Distressed Area, under the Agency's Uniform Tax Exemption Policy ("**UTEP**"), the Agency is authorized to provide enhanced abatements to any commercial, retail, industrial, manufacturing, warehouse, distribution, research project, including multifamily or workforce or affordable housing projects currently located in the Central Islip Commercial Corridor that wish to renovate or expand or such projects that are not currently in the Central Islip Commercial Corridor but may wish to relocate to the Central Islip Commercial Corridor and such projects may also be eligible for other State and Federal benefits such as new market tax credits, low income housing tax credits and historic tax credits; and

WHEREAS, the Agency's powers and purposes mandated by the Act to promote, develop, encourage and assist in the acquisition, construction, reconstruction, improving, maintaining, equipping and furnishing of projects under the Act, including industrial, manufacturing, warehousing, commercial, research, retail and recreational facilities located or to be located in the Central Islip Commercial Corridor in order to promote the health and economic wellbeing of the residents of the Town, enhancing employment in the town and the prevention of economic deterioration in the Town, has been stymied and delayed by the lack of a modern, sanitary, efficient and environmentally sound sewer system servicing the Central Islip Commercial Corridor; and

WHEREAS, the development, planning, environmental review and study, design, engineering, acquisition, construction and installation of a modern, sanitary, efficient and environmentally sound sewer system to service the Central Islip Commercial Corridor would constitute an Industrial Pollution Control Facility and a Project under the Act and is eligible in and of itself for the Agency's participation and promotion under the Act, furthermore, such a modern, sanitary, efficient and environmentally sound sewer system servicing the Central Islip Commercial Corridor, would enhance and enable the Agency's public powers and purposes with respect to Projects located or to be located in the Central Islip Commercial Corridor or to attract new Projects to locate in the Central Islip Commercial Corridor; and

WHEREAS, the development, planning, environmental review and study, design, engineering, acquisition, construction and installation of a modern, sanitary, efficient and environmentally sound sewer system to service the Central Islip Commercial Corridor is a necessary and vital step in the redevelopment and revitalization of the Central Islip Commercial Corridor; and

WHEREAS, the development, planning, environmental review and study, design, engineering, acquisition, construction and installation of a modern, sanitary, efficient and environmentally sound sewer system to service the Central Islip Commercial Corridor as an Industrial Pollution Control Facility and a Project under the Act is within the powers and purposes of the Agency under the Act; and

WHEREAS, the Agency, desires to participate in and fund, in whole, or in part, the development, planning, environmental review and study, design, engineering such acquisition, construction and installation activities as of an extension of the Central Islip Commercial Corridor Sewer Connection Project to the Central Islip Commercial Corridor, in an amount presently expected to be \$1,000,000; and

WHEREAS, in connection with the Agency's participation in and funding in whole or in part, of the Central Islip Commercial Corridor Sewer Connection Project, the Agency will provide assistance in the development, planning, environmental review and study, design, engineering, acquisition, construction and installation of Central Islip Commercial Corridor Sewer Connection Project to the Central Islip Commercial Corridor; and

WHEREAS, in connection in connection with the Agency's participation in and funding, in whole, or in part, of the development, planning, environmental review and study, design, engineering, acquisition, construction and installation of the Central Islip Commercial Corridor Sewer Connection Project to the Central Islip Commercial Corridor, the Agency will enter into a contract or contracts for such services and leases, subleases, easements or licenses and related certificates, affidavits and instruments, as may be desirable and necessary with the Town and/or with Suffolk County, on behalf of itself or on behalf of the Suffolk County Department of Health or the Southwest Sewer District in connection with the Central Islip Commercial Corridor Sewer Connection Project, to be dated a date to be determined (collectively, the "**Central Islip Commercial Corridor Contracts**"), from the Agency to such parties as may be determined in connection with the Central Islip Commercial Corridor Contracts; and

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

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has the power and in furtherance of its public purposes to assist in the development, environmental review and study, design, feasibility study, engineering, planning, acquisition, construction and installation of the extension of the Central Islip Commercial Corridor Sewer Connection Project to the Central Islip Commercial Corridor, as an Industrial Pollution Control Facility and a Project under the Act.

(b) The Central Islip Commercial Corridor Contracts will be effective instruments whereby the Agency participates in and funding in whole or in part, of the development, planning, environmental review and study, design, engineering, acquisition, construction and installation of the Central Islip Commercial Corridor Sewer Connection Project

(c) It is desirable and in the public interest for the Agency to enter into the Central Islip Commercial Corridor Contracts.

Section 2. In consequence of the foregoing, the Agency hereby determines to (i) provide its assistance in the funding in whole, or in part, of the development, planning, environmental review and study, design, engineering, acquisition, construction and

installation of the Central Islip Commercial Corridor Sewer Connection Project in an amount presently expected to be \$1,000,000, and (ii) enter into the Central Islip Commercial Corridor Contracts.

Section 3. The Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Central Islip Commercial Corridor Contracts in the form the Chairperson, Vice Chairperson, 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 Chairperson, Vice Chairperson, 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. The execution thereof by Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

Section 4. 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 Central Islip Commercial Corridor Contracts, 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 Central Islip Commercial Corridor Contracts binding upon the Agency.

Section 5. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the "**Agency**"), including the resolutions contained therein, held on the 22nd day of October, 2019, 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.

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 October, 2019.

By _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR OCTOBER 22, 2019

AGENDA ITEM # 5

TYPE OF RESOLUTION: TO APPROVE A RESOLUTION
TO AMEND THE UTEP (UNIFORM TAX EXEMPTION
POLICY)

COMPANY: N/A

PROJECT LOCATION: N/A

JOBS (RETAINED/CREATED): RETAINED - N/A -
CREATE - N/A -

INVESTMENT: \$ N/A

October 22, 2019

WHEREAS, New York General Municipal Law 874 requires an Industrial Development Agency to establish a Uniform Tax Exemption Policy (UTEP) applicable to grants of financial assistance and providing guidelines for the claiming of real property, mortgage recording and sales tax exemptions, plus the establishment of principles concerning deviation from policy and recapture of benefits; and

WHEREAS; the Town of Islip Industrial Development Agency first adopted its UTEP in December of 1993 and has amended said policy on numerous occasions throughout the years; and

WHEREAS, there has been presented an amended UTEP concerning exemption from real property taxes, sales and use tax exemptions, mortgage recording tax exemptions, principles concerning deviation from policy and recapture of benefits under certain conditions; and

WHEREAS, notice has been given to all taxing jurisdictions within the Town of Islip, and the required Public Hearing was held at
and after due consideration by the members of the Agency;

NOW, THEREFORE, on a motion of _____ seconded by _____

Be it;

RESOLVED, that the attached and amended Uniform Tax Exemption Policy is hereby adopted.

Upon a vote being taken, the result was:



TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY

UNIFORM TAX EXEMPTION POLICY

The Town of Islip Industrial Development Agency ("TOIIDA") provides financial assistance (tax-exempt or taxable bonds and/or straight lease transactions) for projects which promote the economic growth and health of Islip Town and the Long Island region. TOIIDA provides financial assistance to all projects and facilities as defined in Title 1 of Article 18A of the General Municipal Law. These projects and facilities as defined in Title 1 of Article 18A of the General Municipal Law (the "Act"). These projects and facilities include, but are not limited to: industrial, manufacturing, research and development, warehousing, commercial, office, recreation and other economic development projects. Also included are: affordable housing, senior housing, downtown housing, assisted living facilities, brownfield redevelopment projects and projects that eliminate commercial blight. Certain retail projects are included (those that are in conformance with Sec. 862 of the NYS GML, those that are part of a mixed use downtown redevelopment plan and those that involve the elimination of community blight).

All projects receiving financial assistance through TOIIDA are eligible for various tax exemptions and abatements. In reviewing applications for financial assistance, TOIIDA shall take into consideration, review and comply with all requirements and provisions of the Act.

I. REAL PROPERTY TAXES

- A. **Real Property Tax Abatement:** TOIIDA provides real property tax abatements in the form of reduction of existing taxes and/or freezing existing taxes and/or abating the increased assessment (value added) as a result of the project. Real property tax abatements may be structured in the form of fixed annual payments with or without scheduled increases over a period of time or in the form of abatements of the increased assessment that results from the project over a period of time or in the form of reduction of the existing taxes with a phase in back to the original tax level over a period of time. To evidence such abatements, TOIIDA will enter into a lease and project agreement or other agreement evidencing the real property tax abatement relating to such project with the project occupant, which such agreement shall require payment of PILOT payments in accordance with the provisions set forth below.

Each project is reviewed and evaluated on a case by case basis. TOIIDA's review utilizes criteria that measure the projects level of significance and/or strategic value and/or impact upon the Town of Islip at both the micro and macro level as well as upon Long Island as a Region and/or the State economy.

As a general rule, the term of the real property tax abatement is ten years. The basic real property tax abatement provided by the TOIIDA is based upon the equivalent of Section 485-b of the New York State Real Property Tax Law. This section provides for a 50% real property tax abatement on the increased assessed value in the first year; 45% real property tax

abatement in the second year; 40% abatement in the third year and thereafter declining 5% per year over a ten year period. A 485-b real property tax abatement is the minimum that TOHDA provides. An enhanced real property tax abatement is considered and/or provided under the following circumstances:

1. **Existing Vacant Facilities & Brownfields:** In order to encourage "reuse" and upgrading of existing building stock and environmentally damaged properties commonly referred to as brownfields, TOHDA may provide an enhanced real property tax benefit and abatement for projects involving vacant existing facilities and brownfields. The benefits may include freezing or reducing the assessment base of the pre-improved facility and granting of abatements that are equivalent of double the benefits provided by Section 485-b of the Real Property Tax Law. These abatements will consist of a 100% abatement on the increased assessed value in the first year; a 90% abatement in the second year; and 80% abatement in the third year and thereafter declining 10% per year over a ten year period.
2. **Significant/Strategic Projects:** TOHDA may provide enhanced real property tax abatements (double 485-b) to projects that are considered significantly and strategically important to the economic well-being of Islip Town and the Long Island region. Provision of an enhanced real property tax abatement would be considered for high-tech and biomedical manufacturing; research and development; computer and data processing facilities; financial (back office) operations; professional services industry; corporate, national or regional headquarters; and projects deemed significant to the revitalization of distressed communities. Each project eligible for enhanced property tax abatement is evaluated pursuant to the guidelines/criteria contained in Attachment I.
3. **Projects within the boundaries of the former Empire Zone:** TOHDA provides enhanced real property tax abatement to projects located within the boundaries of the former New York State designated Empire Zone. The enhanced property tax abatement consists of a 100% abatement on the increased assessed value for the first 5 years; 90% in year 6; 80% in year 7 and thereafter declining 10% per year through year 14.
4. **Housing projects:** TOHDA provides property tax abatements for standard rental housing projects (senior housing, assisted living facilities, downtown corridor rental housing) that provide a public benefit in accordance with the Town of Islip Comprehensive Plan and related Planning Department studies. Including but not limited to the Central Islip Revitalization Master Plan and the Suffolk County Industrial and Commercial Incentive Board Plan, Zones 2 & 3. These abatements will consist of a 100% abatement on the increased assessed value in the first year; a 90% abatement in the second year; and 80% abatement in the third year and thereafter declining 10% per year over a ten year period. The ten year abatement period will commence upon the receipt of a certificate of occupancy for any portion of the qualified housing project and during the initial construction of property will be assessed and billed at the base value.
5. **Subsidized Housing:** For qualified housing projects (100% affordable housing projects). That provide a public benefit in accordance with the Town of Islip Comprehensive Plan and related Planning Department studies, TOHDA may set flat

PILOT payments on a per unit, per year basis. The length and term of these agreements will be determined on a case-by-case basis, based upon such factors as affordability, market conditions & the extent of public subsidies and participation in the project.

6. **Blighted Commercial Properties:** TOHDA may provide enhanced property tax abatements (double 485-b) for projects that eliminate community blight as defined in Chapter 6A, Article II of the Islip Town Code.
 7. **Mixed Use properties in Downtown Commercial Corridors:** TOHDA may provide enhanced real property tax abatements (double 485-b) for projects in which a combination of residential and commercial construction work is performed to create a building used for mixed residential and commercial purposes. Such projects must be located within proscribed downtown corridors as contained in zones 2 & 3 of the Suffolk County Industrial and Commercial Incentive Board Plan adopted in 1999, as amended and/or those projects governed by Chapter 68 of the Town Code known as Downtown Development Districts and Business Districts.
 8. **Town and/or other Municipally Owned Property:** Property owned by the Town of Islip and/or another municipal entity that is sold and/or leased to a private developer and/or private company may qualify for a 100% abatement and/or an enhanced abatement for periods up to 15 years. However, no village taxes will be abated in any PILOT Agreement entered into under this provision.
 9. **Large Employment Generators:** Projects that create or retain 500 jobs or more may qualify for tax abatements for periods of up to 20 years. For new construction, this would be in the form of a 100% abatement the first year and declining 5% per year for 20 years. For existing buildings, the benefits may include reducing existing real property taxes and/or freezing the real property tax base and/or granting real property tax abatements on the increased value that result from the project for periods up to 20 years.
 10. **Manufacturing Project:** TOHDA may provide enhanced real property tax abatement to manufacturing projects. The enhanced property tax abatement consists of a 12 year term.
- B. **Projects in Foreign Trade Zone:** For projects located within Islip's Foreign Trade Zone, all payments are made pursuant to land lease with the Town of Islip's Foreign Trade Zone Authority.
- C. **Deviations from Policy:** TOHDA reserves the right to deviate from its uniform real property tax abatement policy under special/extraordinary circumstances. Deviations can take the form of providing less or more in the way of real property tax abatements. These deviations would be done by reducing or increasing the percentage of the annual abatement, or by reducing or increasing the term of the PILOT Agreement, or by doing a combination of both. Provision of less in the way of real property tax abatements is applicable to projects that are subsequent phases of a previously TOHDA financed, multi-phased project and/or TOHDA determines that the benefit provided by these projects merits a reduced level of incentive

(cost). Provision of more in the way of real property tax abatements is applicable to projects that are considered extremely significant and vital to the economic health and well-being of Islip Town and the Long Island Region. Any applicant may apply in writing to TOHDA for increased real property tax abatement benefits setting forth reasons for a proposed deviation from the uniform policy. Such requests should set forth specific data and information which would cause TOHDA to deviate from its uniform policy focusing, in whole or part, on the guidelines and criteria set forth in Attachment I hereto. Each time TOHDA propose to deviate from its uniform real property tax abatement policy, it will provide written notification with any explanation for the deviation to the chief executive officer of each affected taxing jurisdiction.

II. SALES TAX EXEMPTIONS

- A. **Eligible Expenses:** TOHDA provides sales and use tax exemptions on all eligible materials and/or equipment used or incorporated into the project during the initial construction/renovation and equipping of the project. TOHDA does not provide sales tax exemption for ongoing expenses after the project is completed. Unless otherwise determined by resolution of TOHDA, the sales and use tax exemption may be up to one hundred percent (100%) of the sales and/or use taxes that would have been levied if the project were not exempt by reason of TOHDA's involvement in the project.
- B. **To provide such exemption:** TOHDA shall execute a lease and project agreement or other agreement evidencing the sales and use tax exemption relating to such project with the project occupant. The period of time for which such exemption shall be effective shall commence no earlier than the date of execution of such agreement. Such agreement shall contain an expiration date for the continued availability of sales tax exemptions, which such expiration date shall be based upon the anticipated project completion date. Should the project not be completed by the expiration date, the project occupant must request an extension of the expiration date from TOHDA prior to the stated expiration date. The sales and use tax exemption will also have a stated maximum amount of the exemption. If an applicant anticipated that it is going to exceed the stated amount of the sales and use tax exemption, they must request TOHDA to increase the exemption amount before the applicant has exceeded the exemption in accordance with Section II D below.
- C. **Reporting Requirements:** Project occupants (agents) are required to annually file a statement of the value of all sales tax exemptions claimed for the year to the New York State Department of Taxation and Finance. TOHDA requires that each project occupant (agent) provides TOHDA with a copy of that annual filing.
- D. **Deviations from Policy:** TOHDA reserves the right to deviate from its uniform sales tax exemption policy under special/extraordinary circumstances. Deviations can take the form of providing less in the way of sales tax exemptions. These deviations would be done by reducing the full sales tax exemption to a partial sales tax exemption for the initial project completion period. Provision of less in the way of sales tax exemption is applicable to projects that are subsequent phases of a previously TOHDA financed multi-phase project and/or TOHDA determines that the benefit provided by these projects merits a reduced level of incentive (cost). If an exemption of less than one hundred percent (100%) is determined by TOHDA to be applicable to a project, then the project operator shall be required to pay a Payment-in-lieu-of-tax to TOHDA equal to the applicable percentage of sales and/or use tax liability not being abated. TOHDA shall remit such payment within thirty (30) days of receipt thereof by TOHDA, to the affected tax jurisdictions in accordance with Section 874(3) of the

Act. Each time TOHDA deviates from its uniform sales tax exemption policy, it will provide written notification, with an explanation for the deviation to the chief executive officer of each affected taxing jurisdiction.

- E. LATER TERMINATION/INCREASE IN AMOUNT:** The Executive Director is authorized on behalf of TOHDA to approve (i) requests regarding the extension of the completion date of its project and (ii) requests regarding an increase of sales and use tax exemptions in an amount not to exceed \$100,000.00 in connection with the purchase or lease of equipment, building materials, services or other personal property, without the need of approval of the board of directors of TOHDA. Any requests for an increase of sales and use tax exemptions in an amount greater than \$100,000.00 will require public notice in accordance with the Act and approval of the TOHDA board.

III. MORTGAGE RECORDING TAX

All TOHDA assisted projects are eligible for a partial exemption from the mortgage recording tax imposed pursuant to Article 11 of the New York State Tax Law, except with respect that portion of the mortgage recording tax allocated to transportation districts referenced in Section 253(2)(a) of the Tax Law.

- A. Project Related Financing:** Financing secured by a mortgage which is directly related to the project is exempt from the mortgage recording tax
- B. Non-Project Related Financing:** Financing secured by a mortgage which is not directly related to, or a part of, the project, are not eligible for exemption from mortgage recording tax.
- C. Deviations from Policy:** TOHDA reserves the right to deviate from its uniform mortgage recording tax exemption policy under special/extraordinary circumstances. Deviations can take the form of providing less in the way of mortgage recording tax exemptions. These deviations would be done by reducing the mortgage recording tax exemption from a full exemption to a partial exemption. Provision of less in the way of exemption from mortgage recording tax is applicable to projects that are subsequent phases of a previously TOHDA financed multi-phase project and/or TOHDA determines that the benefit provided by these project merits a reduced level of incentive (cost). Each time TOHDA proposes to deviate from its uniform mortgage recording tax exemption policy, it will provide written notification with an explanation for the deviation to the Chief executive officer of each affected taxing jurisdiction.

IV. RECAPTURE OF BENEFITS:

ALL TOHDA projects which receive financial assistance in accordance with the terms and provisions of this Uniform Tax Exemption Policy shall be subject to termination and recapture of any benefits received in accordance with TOHDA's Recapture and Termination Policy, as such may be amended from time to time, and as required under the Act.

ATTACHMENT 1

ENHANCED REAL PROPERTY TAX ABATEMENT GUIDELINES/CRITERIA

TOHDA considers the following significant indicators when determining whether to provide enhanced real property tax abatements. (These determinants are not all inclusive and are not in priority order):

1. ***Economy:*** Local and regional economic conditions at the time of application.
2. ***Jobs:*** The extent to which the project will directly create or retain permanent private sector jobs as well as "temporary" jobs during the construction period. In addition, the level of secondary "multiplier" jobs that will be created or retained as a result of the project.
3. ***Project Cost/Payroll:*** Level of direct annual payroll that results from the project as well as secondary "multiplier" payroll and payroll during the initial construction period.
4. ***Project Purpose:*** Type of industrial or commercial activity proposed for the facility.
5. ***Site Alternatives:*** Likelihood that the project will locate elsewhere resulting in subsequent real economic losses for retention projects and possible failure to realize future economic benefits for attraction projects.
6. ***Project Location:*** Nature of the property before the project (vacant land, vacant buildings, distressed community, Former Empire Zone, blighted property, downtown corridor).
7. ***Project Benefits:*** Amount of private sector investment as a result of the project and the level of additional revenue for local taxing jurisdictions.
8. ***Project Costs:*** Impact of the project and the proposed abatements/exemption on local taxing jurisdictions and extent to which will require additional services from local government entities.