



MEETING OF THE TOWN OF ISLIP

INDUSTRIAL DEVELOPMENT AGENCY

December 17, 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 **November 19, 2019**.
3. To consider the adoption of an Preliminary Inducement Resolution on behalf of the Town of Islip Industrial Development Agency and **Greenview Commons West**. Located at 4180 Sunrise Highway, Oakdale. (SCTM#0500-30200-0200-003001).
4. To consider the adoption of an Inducement Resolution on behalf of the Town of Islip Industrial Development Agency and **Lacrosse Unlimited, Inc.** Located at 200 Heartland Boulevard, Edgewood. (SCTM#0500-13400-0400-002001).
5. To consider the adoption of an Authorizing Resolution on behalf of the Town of Islip Industrial Development Agency and **Briad Development East, LLC** to approve a mortgage refinancing. Located at 0 Courthouse Drive, Central Islip. (SCTM#0500-20700-0300-056000).
6. To consider **any other business** to come before the Agency.



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

November 19, 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 Councilwoman Mary Kate Mullen.
2. Members Angie M. Carpenter, Councilwoman Mary Kate Mullen, Councilman John C. Cochrane Jr., Councilman James P. O'Connor and Councilwoman Trish Bergin Weichbrodt. The Chairwoman acknowledged a quorum.
3. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the **Minutes** from the meeting on **October 22, 2019**. On a motion by Councilman John C. Cochrane Jr., and Councilwoman Mary Kate Mullen, said motion was approved 5-0.
4. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to enter into an **Advertising and Marketing Agreement with LI News Radio**. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman John C. Cochrane Jr., said motion was approved 5-0.
5. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve **Project Visual International, Inc.** as a tenant in the Suffolk County Industrial, LLC., 2016 Facility. Located at 1724 5th Avenue, Bay Shore, New York. On a motion by Councilwoman Mary Kate Mullen and seconded by Councilman John C. Cochrane Jr., 5-0.
6. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve **Water Lilies Food, Inc.**, as a tenant in the Suffolk County Industrial, LLC., 2016 Facility. Located at 1724 5th Avenue, Bay Shore, New York. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilwoman Mary Kate Mullen, said motion was approved 5-0.
7. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve **Northwell Health** as a tenant in the Sunrise Business Center Facility. Located at 3500 Sunrise Highway, Great River, New York. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman John C. Cochrane Jr., said motion was approved 5-0.

8. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to amend an Authorizing Resolution for **Eleven Maple Avenue Associates, LLC**. Located at 11 Maple Avenue, Bay Shore, New York. On a motion by Councilman John C. Cochrane and seconded by Councilman James P. O'Connor, motion approved 4-0. Councilwoman Trish Bergin Weichbrodt was absent.
9. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to amend an Authorizing Resolution for **Park Avenue Bay Shore, LLC**. Located at 61 & 57 Park Avenue, Bay Shore, New York. On a motion by Councilman James P. O'Connor and seconded by Councilwoman Mary Kate Mullen, motion approved 4-0. Councilwoman Trish Bergin Weichbrodt absent.
10. To consider **any other business** to come before the Agency. Meeting of the Town of Islip Industrial Development Agency closed on a motion by Councilman James P. O'Connor and seconded by Councilwoman Mary Kate Mullen, motion approved 4-0. Councilwoman Trish Bergin Weichbrodt was absent.

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 17, 2019

AGENDA ITEM #3

TYPE OF RESOLUTION: INDUCEMENT RESOLUTION

COMPANY: GREENVIEW COMMONS WEST

PROJECT LOCATION: 4180 SUNRISE HWY, OAKDALE

JOBS (RETAINED/CREATED): RETAINED - 00 -
CREATE - 10 -

INVESTMENT: \$50,650,000.00

PRELIMINARY RESOLUTION OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL
ACTION IN CONNECTION WITH GREENVIEW COMMONS
WEST, LLC, A LIMITED LIABILITY COMPANY, ON BEHALF
OF ITSELF AND/OR THE PRINCIPALS OF GREENVIEW
COMMONS WEST, LLC AND/OR AN ENTITY FORMED OR
TO BE FORMED ON BEHALF OF THE FOREGOING.

WHEREAS, Greenview Commons West, LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Greenview Commons West, 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 13.2 acre parcel of land located at the south side of Sunrise Highway, approximately 400 feet west of Oakdale Bohemia Road, Oakdale, New York 11769 (SCTM# 0500-302.00-02.00-003.000) (the "**Land**"), the demolition of an approximately 2,000 square foot building located thereon, the construction of an approximately 230,000 square foot building thereon (the "**Improvements**"), and the acquisition and installation therein of certain equipment and personal property (the "**Equipment**"; and together with the Land and the Improvements, the "**Facility**"), which Facility will be leased by the Agency to the Company and is to be used as a senior housing apartment complex containing approximately 158 rental apartments together with a pool and a pool house (the "**Project**"); and

WHEREAS, the Agency, subject to the provisions of this preliminary resolution, will consider the acquisition of a leasehold interest in the Land and the Improvements and title to the Equipment and will lease and sublease the Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, the "**Act**");

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

WHEREAS, subject to the Company providing the Agency with a feasibility report (the "**Feasibility Study**"), together with such letters or reports from interested parties and governmental agencies or officials (the "**Letters of Support**"; and together with the Feasibility Study, the "**Requisite Materials**"), to enable the Agency to make findings and determinations that the Facility qualifies as a "project" under the Act and that the Facility satisfies all other requirements of the Act, the Agency will consider the inducement of the Project; and

WHEREAS, subject to the Company's providing the Agency with an Environmental Assessment Form ("**EAF**") and evidence that the Company has received all necessary site plan approvals, architectural review, zoning approvals, permits, with respect to the Facility, the Agency will consider the inducement of the project; and

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

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company will prepare and submit to the Agency an Environmental Assessment Form and related documents (the “Questionnaire”) with respect to the Facility; and

WHEREAS, as of the date of this resolution, no determination for the Facility been made under SEQR.

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

Section 1. At such time as the Company submits to the Agency all necessary information for the Agency to comply with SEQR, the Agency will undertake to review such information. If a “Lead Agency” other than the Agency is declared under SEQR, the Agency shall send written notification to such Lead Agency that the Agency is an “involved agency” with respect to the Lead Agency’s SEQR review. Notice of this determination shall be filed to the extent required by the applicable regulations under that Act or as may be deemed advisable by the Chairman or Executive Director of the Agency or counsel to the Agency.

Section 2. Nothing herein shall be construed as committing the Agency to approve the acquisition, demolition, construction, equipping and financing of the Facility until such time as: (i) the Agency has received all Requisite Materials; (ii) all of the requirements of SEQR have been satisfied, and (iii) the Company has provided the Agency with evidence that all necessary site plan approvals, architectural review, zoning approvals, and permits with respect to the Facility have been approved. Rather, the actions undertaken pursuant to this resolution shall be limited to environmental, engineering, economic, feasibility and other studies and preliminary planning necessary to formalize the Action as that term is defined under SEQR. No final action may be taken before the Agency has received all Requisite Materials, the requirements of SEQR have been met, and all necessary site plan approvals, architectural review, zoning approvals and permits with respect to the Facility have been approved.

Section 3. The Chairman, Executive Director, counsel to the Agency and Transaction Counsel (Nixon Peabody LLP), and all members of the Agency, are hereby authorized and directed (i) to distribute copies of this preliminary resolution to the Company, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions in the foregoing preliminary resolution.

Section 4. The Agency may publish a notice of a Public Hearing and conduct a public hearing with respect to the location and nature of the Project and the economic benefits, if any, to be granted by the Agency to the Company, in accordance with the provisions of Section 859-a of the Act.

Section 5. This preliminary resolution shall take effect immediately.

STATE OF NEW YORK)

) ss:

COUNTY OF SUFFOLK)

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

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

Such resolution was passed at a meeting of the Agency duly convened in public session on December 17, 2019, at Islip Town Hall, 655 Main Street, Islip, New York, at which meeting the following members were:

Present:

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

Voting Nay

and, therefore, the resolution was declared duly adopted.

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

IN WITNESS WHEREOF, I have hereunto set my hand as of December 17, 2019.

Assistant Secretary

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 17, 2019**

AGENDA ITEM #4

TYPE OF RESOLUTION: INDUCEMENT RESOLUTION

COMPANY: LACROSSE UNLIMITED, INC.

**PROJECT LOCATION: 200 HEARTLAND BLVD,
EDGEWOOD**

**JOBS (RETAINED/CREATED): RETAINED - 30 -
CREATE - 35 -**

INVESTMENT: \$5,950,000.00

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING 200 HEARTLAND LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF 200 HEARTLAND LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND LACROSSE UNLIMITED, INC., A NEW YORK BUSINESS CORPORATION ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF LACROSSE UNLIMITED, INC. 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, RENOVATING, CONSTRUCTING AND EQUIPPING THE FACILITY AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY

WHEREAS, 200 Heartland LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of 200 Heartland LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**") and Lacrosse Unlimited, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Lacrosse Unlimited, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Sublessee**"), have applied to the Town of Islip Industrial Development Agency (the "**Agency**"), to enter into a transaction in which the Agency will assist in (a) the acquisition of an approximately 2.60 acre parcel of land located at 200 Heartland Boulevard, Edgewood, New York 11717 (the "**Land**"), the renovation of an existing approximately 40,000 square foot building located thereon (the "**Improvements**"), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the "**Facility Equipment**"; and together with the Land and the Improvements, the "**Company Facility**"), which Company Facility is to be leased by the Agency to the Company and further subleased by the Company to the Sublessee; and (b) the acquisition and installation of certain equipment and personal property (the "**Equipment**"; and together with the Company Facility, the "**Facility**"), which Equipment is to be leased by the Agency to the Sublessee and which Facility is to be used by the Sublessee as warehouse, distribution and office space in its business of as a distributor of sporting goods to retail establishments (the "**Project**"); and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Facility Equipment and Equipment, will sublease and lease the Company Facility to the Company for further sublease to the Sublessee and will lease the 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 Company and the Sublessee in connection with the Facility, consistent with the policies of the

Agency, in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes and abatement of real property taxes, all to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, 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 annexed hereto as Exhibit B; and

WHEREAS, the Company and the Sublessee have represented to the Agency that the approval of the Facility will result in the closure of a plant located at 145 Marcus Boulevard, Hauppauge, New York and unless an exception applies, the Agency would otherwise be prohibited from granting benefits pursuant to the provisions of Section 862 of the Act; and

WHEREAS, based upon the representations of the Company and the Sublessee in the Application for financial assistance filed by the Company and the Sublessee with the Agency (the "**Application**"), the closure of the plant is reasonably necessary for the Company and the Sublessee to maintain a competitive position in their respective industries by enabling the Company and the Sublessee to utilize a larger, consolidated facility and to prevent the Company and the Sublessee from relocating to New Jersey, Pennsylvania, or North Carolina and therefore not subject to the prohibitions contained in Section 862 of the Act; and

WHEREAS, in accordance with Section 859-a(5)(d) of the Act, the Agency will notify the chief executive officers of the Town of Smithtown and Suffolk County of the removal of the Sublessee's facility in Hauppauge, Town of Smithtown, New York and its relocation to the Town of Islip; and

WHEREAS, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the

proposed financial assistance is either an inducement to the Company and the Sublessee to maintain the Facility in the Town of Islip or is necessary to maintain the competitive position of the Company and the Sublessee in their respective industries; and

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

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

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

WHEREAS, the Questionnaire has been reviewed by the Agency.

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

Section 1. Based upon the Environmental Assessment Form completed by the Company and the Sublessee and reviewed by the Agency and other representations and information furnished by the Company and the Sublessee regarding the Facility, the Agency determines that the action relating to the acquisition, renovation, equipping, and operation of the Facility is an “unlisted” action, as that term is defined in the SEQR Act. The Agency also determines that the action will not have a “significant effect” on the environment, and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman or Executive Director of the Agency or counsel to the Agency.

Section 2. The acquisition, renovation and equipping of the Facility by the Agency, the subleasing and leasing of the Company Facility to the Company for further subleasing to the Sublessee, the leasing of the 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 3. Based upon the representations of the Company and the Sublessee, the transactions contemplated by the Lease Agreement (as hereinafter defined) shall result in the removal of a plant from one area of the State to another area of the State, but the Project and

the related financial assistance is reasonably necessary to discourage the Facility occupants from removing a facility or plant to a location outside of the State.

Section 4. Subject to the provisions of this resolution, the Agency shall (i) acquire, renovate and equip the Facility; (ii) lease and sublease the Company Facility to the Company; and (iii) lease the Equipment to the Sublessee.

Section 5. The Company and the Sublessee are hereby notified that they will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease and Project Agreement, dated a date to be determined (the "**Lease Agreement**"), by and between the Company and the Agency. The 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 Company and the Sublessee are further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company and the Sublessee as agents 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 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 Company and the Sublessee. The Company and the Sublessee agree to pay such expenses and further agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

Section 9. This resolution shall take effect immediately.

ADOPTED: December 17, 2019

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

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

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

Such resolution was passed at a meeting of the Agency duly convened in public session on December 17, 2019, at Islip Town Hall, 655 Main Street, Islip, New York, at which meeting the following members were:

Present:

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

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

IN WITNESS WHEREOF, I have hereunto set my hand as of December 17, 2019.

Assistant Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

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 January, 2020, at _____.m., local time, at 40 Nassau Avenue, Islip, New York 11751 in connection with the following matters:

200 Heartland LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of 200 Heartland LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the **"Company"**) and Lacrosse Unlimited, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Lacrosse Unlimited, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the **"Sublessee"**), have applied to the Town of Islip Industrial Development Agency (the **"Agency"**), to enter into a transaction in which the Agency will assist in (a) the acquisition of an approximately 2.60 acre parcel of land located at 200 Heartland Boulevard, Edgewood, New York 11717 (the **"Land"**), the renovation of an existing approximately 40,000 square foot building located thereon (the **"Improvements"**), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the **"Facility Equipment"**); and together with the Land and the Improvements, the **"Company Facility"**), which Company Facility is to be leased by the Agency to the Company and further subleased by the Company to the Sublessee; and (b) the acquisition and installation of certain equipment and personal property (the **"Equipment"**); and together with the Company Facility, the **"Facility"**), which Equipment is to be leased by the Agency to the Sublessee and which Facility is to be used by the Sublessee as warehouse, distribution and office space in its business of as a distributor of sporting goods to retail establishments (the **"Project"**). The Company Facility will be initially owned, operated and/or managed by the Company. The Equipment will be initially owned, operated and/or managed by the Sublessee.

The Agency contemplates that it will provide financial assistance to the Company and the Sublessee in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes in connection with the renovation and equipping of the Facility and exemption of real property taxes 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 Company and the Sublessee or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company and the Sublessee with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: December __, 2019

TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY

By: William G. Mannix

Title: Executive Director

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR DECEMBER 17, 2019**

AGENDA ITEM #5

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: BRIAD DEVELOPMENT EAST, LLC

**PROJECT LOCATION: 11 COURTHOUSE DR, CENTRAL
ISLIP**

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

INVESTMENT: \$50,650,000.00

Date: December 17, 2019

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 17th day of December, 201, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on a proposed mortgage financing and the execution of related loan documents in connection with a certain industrial development facility more particularly described below (Briad Lodging Group CI 2, LLC Facility) and approving the execution and delivery of related documents.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING MORTGAGE FINANCING AND THE EXECUTION AND DELIVERY OF LOAN DOCUMENTS IN CONNECTION THEREWITH FOR THE BRIAD LODGING GROUP CI 2, LLC FACILITY AND APPROVING THE FORM, SUBSTANCE, EXECUTION AND DELIVERY OF SUCH RELATED DOCUMENTS

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

WHEREAS, the Agency previously assisted Briad Lodging Group CI 2, LLC, a limited liability company organized and existing under the laws of the State of Nevada and authorized to transact business in the State of New York (the “**Company**”), in the acquisition of an approximately 3.15 acre parcel of land located at 11 Courthouse Drive, Central Islip, New York (the “**Land**”) and the construction and equipping of an approximately 70,000 square foot 4-story, 125 room select-service hotel located thereon, including, but not limited to, an indoor pool, exercise room, conference room, business library, wired and wireless internet, a cafe bistro and additional parking spaces, together with the acquisition and installation of furniture, fixtures and equipment (the “**Improvements**” and “**Equipment**”), all leased by the Agency to the Company to provide a full range of services to the business and leisure traveler visiting the Town of Islip (the Land, Improvements and Equipment, collectively, the “**Facility**”); and

WHEREAS, the Agency leased the Facility to the Company pursuant to a certain Lease Agreement, dated as of October 1, 2015 (the “**Lease Agreement**”), by and between the Agency, as lessor and the Company, as lessee, and a Memorandum of Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, in connection with the leasing of the Facility, the Agency and the Company entered into a Payment-in-Lieu-of-Tax Agreement, dated as of October 1, 2015 (the “**PILOT Agreement**”), which provided for the Company to make payments in lieu of real property taxes on the Facility; and

WHEREAS, the Agency and the Company entered into a Recapture Agreement, dated as of October 1, 2015 (the “**Recapture Agreement**”), pursuant to which the Agency has the right to recapture certain economic benefits and assistance granted to the Company upon the terms and conditions set forth in the Recapture Agreement; and

WHEREAS, as security for the Loan (as such term is defined in the Lease Agreement), the Agency and the Company executed and delivered to Manufacturers and Traders Trust Company (the “**Original Lender**”), (i) a Land Loan Mortgage, dated October 27, 2015 (the “**Land Loan Mortgage**”), in the amount of \$1,780,000.00, which Land Loan Mortgage was to be recorded in the Suffolk County Clerk’s office, (ii) a Building Loan Mortgage, dated October 27, 2015 (the “**Building Loan Mortgage**”), in the amount of \$8,820,000.00, which Building Loan Mortgage was to be recorded in the Suffolk County Clerk’s office, and (iii) a Project Loan

Mortgage, dated October 27, 2015 (the "**Project Loan Mortgage**"), in the amount of \$3,940,000.00, which Project Loan Mortgage was to be recorded in the Suffolk County Clerk's office (the Project Loan Mortgage together with the Land Loan Mortgage and the Building Loan Mortgage, collectively, the "**Original Mortgages**"); and

WHEREAS, further the Agency and the Company mortgaged their respective rights in the Facility to the Original Lender, pursuant to a Building Loan Mortgage (Supplemental), dated as of December 1, 2015 (the "**Supplemental Building Loan Mortgage**"), in the amount of \$2,480,000 which Supplemental Building Loan Mortgage was to be recorded in the Suffolk County Clerk's office; and

WHEREAS, further the Agency and the Company mortgaged their respective rights in the Facility to the Original Lender, pursuant to a Mortgage, Consolidation, Extension and Modification Agreement, dated as of December 1, 2015 (the "**Mortgage, Consolidation, Extension and Modification Agreement**"); and, together with the Supplemental Building Loan Mortgage and the Original Mortgages, the "**2015 Mortgages**"), which Mortgage, Consolidation, Extension and Modification Agreement was to be recorded in the Suffolk County Clerk's office; and

WHEREAS, on April 16, 2019, the Agency consented to a request from the Company for a financing with the Original Lender with respect to the Facility pursuant to a Second Mortgage, dated on or about April 18, 2019 (the "**Second Mortgage**"; and, together with the 2015 Mortgages, the "**Prior Mortgages**"), from the Company and the Agency to the Original Lender, securing the principal amount of \$3,144,315.27, which Second Mortgage was to be recorded in the Suffolk County Clerk's office; and

WHEREAS, the Company has now requested that the Agency consent to enter into a refinancing with BHI Bank (NY) (the "**2019 Lender**"), with respect to the Facility in the aggregate principal amount presently expected to be \$19,500,000 but not to exceed \$22,500,000 (the "**2019 Loan**"); and

WHEREAS, the proceeds of the 2019 Loan will be used to satisfy the Prior Mortgages; and

WHEREAS, as security for such 2019 Loan being made to the Company by the 2019 Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the 2019 Lender one or more mortgages and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the 2019 Lender (the "**2019 Loan Documents**"); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes securing the principal amount presently estimated to be \$500,000 but not to exceed \$1,000,000 in connection with the financing or refinancing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping the Facility; and

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

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

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

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act.
- (b) The Facility continues to constitute a “project”, as such term is defined in the Act.
- (c) The financing or refinancing of the acquisition, construction and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Islip, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.
- (d) The financing or refinancing of the acquisition, construction and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (e) Based upon representations of the Company and counsel to the Company, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Islip and all regional and local land use plans for the area in which the Facility is located.
- (f) It is desirable and in the public interest for the Agency to assist in the financing or refinancing of the acquisition, construction and equipping of the Facility.
- (g) The 2019 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2019 Loan and assign to the 2019 Lender their respective rights under the Lease Agreement (except the Agency’s Unassigned Rights as defined therein).

Section 2.

- (a) While the Facility is used in making retail sales to customers who will visit the Facility and would be considered a “retail facility”, based upon the representations and warranties of the Company in the request for financial assistance, the Facility is located in a

“highly distressed area” as described in Section 862(2)(b) of the Act and therefore the Facility is not subject to the prohibitions on providing financial assistance to retail facilities.

(b) The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Islip.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage on and security interest in and to the Facility pursuant to a certain mortgage and security agreement for the benefit of the 2019 Lender (the “**2019 Mortgage**”), (ii) execute, deliver and perform the 2019 Mortgage, and (iii) execute, deliver and perform the 2019 Loan Documents to which the Agency is a party, as may be necessary or appropriate to effect the 2019 Loan or any subsequent refinancing of the 2019 Mortgage.

Section 4. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2019 Loan Documents and 2019 Mortgage, and such other related documents as may be necessary or appropriate to effect the 2019 Loan, or any subsequent refinancing of the 2019 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 5. Subject to the provisions of this resolution and the Lease Agreement, the Agency hereby authorizes and approves the following economic benefits to be granted to the Company in the form of exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$500,000 but not to exceed \$1,000,000, in connection with the financing or refinancing 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.

Section 6.

(a) Subject to the provisions of this resolution and the Lease Agreement; the Chairman, Executive Director, the Deputy Executive Director and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the 2019 Mortgage and the 2019 Loan Documents, together with such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, Executive Director, the Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval; and

(b) The Chairman, Executive Director, the Deputy Executive Director and any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency.

Section 7. Subject to the provisions of this resolution and the Lease Agreement, the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further

acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 8. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. By acceptance hereof, the Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the financing or refinancing of the Facility.

Section 9. This resolution shall take effect immediately.

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 December 17, 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.

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 17th day of December, 2019.

By: _____
Assistant Secretary