



MEETING OF THE TOWN OF ISLIP

INDUSTRIAL DEVELOPMENT AGENCY

February 12, 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 **January 15, 2019**.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **46 Windsor, LLC**. Located at 46 & 48 Windsor Pl, Central Islip.
4. To consider the adoption of a Resolution Authorizing the Change in Ownership of the Assignee of the **Gull Haven Commons, LLC 2018 Facility**. Located at Carleton Ave and Sunburst Boulevard, Central Islip.
5. To consider the adoption of an Authorizing Resolution for a 100% change in ownership of the property located at 878 Veterans Memorial Highway, Hauppauge to **Hauppauge Holdings, LLC**; a consent to a Mezzanine Loan; and authorization to execute an Estoppel Certificate
6. To consider the adoption of an Authorizing Resolution for a 100% change in ownership of the property located at 888 & 898 Veterans Memorial Highway, Hauppauge to **Hauppauge Holdings, LLC**; a consent to a Mezzanine Loan; and authorization to execute an Estoppel Certificate.
7. To consider the adoption of an amended Authorizing Resolution between the Town of Islip Industrial Development Agency and **25 Andrea, LLC** to consent to a 1031 exchange
25 Andrea Rd, Holbrook → 300 Babco, Hauppauge
8. To consider the adoption of an amended Authorizing Resolution between the Town of Islip Industrial Development Agency and **Ultraflex International** to consent to a 1031 exchange.
158-2 Remington Blvd, Ronk → 10 Colt Ct, Ronkonkoma
9. To consider the adoption of a Resolution to Authorize the Town of Islip Economic Development to execute a one year extension contract with **Albrecht, Viggiano, Zureck & Co., P.C.** to perform the audit for the year ended December 31, 2019.
10. To consider **any other business** to come before the Agency.

*sell one
prop, invest
proceeds into
PPT, and
defer capital
gain tax*



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

January 15, 2019

Meeting Minutes

1. Call the meeting of the Town of Islip Industrial Development Agency to order on a motion by Councilman James P. O'Connor and seconded by Councilman John C. Cochrane Jr.

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

Motions were presented to approve and adopt the following resolutions on the January 15, 2019 IDA Agenda. The resolutions were as follows:

2. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the Minutes from the meeting on **December 18, 2018**. On a motion by Councilman James P. O'Connor and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved 5-0.
3. To consider the adoption of a Resolution approving the **2018 IDA Meeting Schedule** of the Town of Islip Industrial Development Agency. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman John C. Cochrane Jr., said motion was approved unanimously, 5-0.
4. To consider the adoption of a Resolution **Appointing Officers** of the Town of Islip Industrial Development Agency. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman John C. Cochrane Jr., said motion was approved unanimously, 5-0.
5. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt an **Audit Committee** in compliance with the Public Authority Accountability Act ("PAAA") and to appoint John Cochrane, Mary Kate Mullen and Anne Danziger to that committee. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilwoman Mary Kate Mullen, said motion was approved 5-0.
6. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt a **Finance Committee** in compliance with the Public Authority Accountability Act ("PAAA") and to appoint Trish Bergin Weichbrodt, James P. O'Connor and Ron Meyer to that committee. 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 adopt a Governance Committee in compliance with the Public Authority Accountability Act ("PAAA") and to appoint John Cochrane, Mary Kate Mullen and Brad Hemingway to that committee. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman James P. O'Connor, 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 adopt a Code of Ethics Policy in compliance with the Public Authority Accountability Act ("PAAA") and to appoint the Board of Ethics of the Town of Islip as its Ethics Officer. On a motion by Councilman John C. Cochrane Jr., and seconded by Councilman James P. O'Connor, said motion was approved unanimously 5-0.
9. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt an Investment Policy in compliance with the Public Authority Accountability Act ("PAAA") which shall apply to all operating funds, bond proceeds and other funds and all investment transactions involving operating funds, bond proceeds and other funds accounted for in the financial statements of the Agency. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilwoman Mary Kate Mullen said motion was approved unanimously 5-0.
10. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt a Procurement Policy in compliance with the Public Authority Accountability Act ("PAAA") which will apply to the procurement for goods and services not subject to the competitive bidding requirements set forth in General Municipal Law Section 103 and which goods and services are paid for and used by the Agency. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilwoman Mary Kate Mullen, said motion was approved unanimously 5-0..
11. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency adopting a Conflict of Interest Policy in compliance with the Public Accountability Act ("PAAA") and amending the by-laws of the Agency. On a motion by Councilwoman Trish Bergin Weichbrodt and Councilman John C. Cochrane Jr., said motion was approved unanimously 5-0.
12. To consider a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt the Travel Authorization and Mileage Reimbursement guidelines as stated in the Town of Islip Administrative Procedures Manual, Section 303, as recommended by the New York State Authorities Budget Office. On a motion by Chairman John C. Cochrane Jr., and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved unanimously 5-0.
13. To consider the adoption of a Resolution to Authorize an annual Agreement between the Town of Islip Industrial Development Agency and (CGR) **Center for Governmental**

Research, Inc. of One South Washington Street, Suite 400, Rochester, New York. On a motion by Councilwoman Mary Kate Mullen and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved unanimously 5-0.

14. To consider the adoption of a Resolution to Authorize the Town of Islip Economic Development to execute a one year extension contract with Albrecht, Viggiano, Zureck & Co., P.C. to perform the audit for the year ended December 31, 2019. On a motion by Councilman John C. Cochrane Jr., and seconded by Councilman James P. O'Connor, said motion was approved unanimously 5-0.
15. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to enter into a contract with Mike Siniski, to provide computer programming services for the maintenance of an updated and improved IDA Assessment Roll and PILOT billing system including training Town of Islip staff at a rate of \$65.00 per hour, not to exceed \$5,000. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilwoman Mary Kate Mullen, said motion approved unanimously 5-0.
16. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and Ultraflex International, Inc. Located at 10 Colt Court, Ronkonkoma. On a motion by Councilman John C. Cochrane Jr., and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved unanimously 5-0.
17. To consider the adoption of an Inducement/Authorizing Resolution between the Town of Islip Industrial Development Agency and MultiDyne Electronics. Located at 35 Hoffman Ave, Hauppauge. On a motion by Councilwoman Mary Kate Mullen and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved unanimously 5-0.
18. To consider the adoption of an Inducement/Authorizing Resolution between the Town of Islip Industrial Development Agency and Certified Interiors. Located at 300 Rabro Drive, Hauppauge. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman John C. Cochrane Jr., said motion was approved unanimously 5-0.
19. To consider any **other business** to come before the Agency. The meeting of the Town of Islip Industrial Development Agency adjourned on a motion by Councilman James P. O'Connor and seconded by Councilwoman Trish Bergin Weichbrodt.

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR FEBRUARY 12, 2019

AGENDA ITEM #3

TYPE OF RESOLUTION: INDUCEMENT RESOLUTION

COMPANY: 46 WINDSOR, LLC

PROJECT LOCATION: 46 & 48 WINDSOR PLACE,
CENTRAL ISLIP

JOBS (RETAINED/CREATED): RETAINED - 00 -
CREATE - 52 -

INVESTMENT: \$4,540,281.00

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY TAKING OFFICIAL ACTION
TOWARD APPOINTING 46 WINDSOR LLC, A NEW YORK
LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF
AND/OR THE PRINCIPALS OF 46 WINDSOR 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,
CONSTRUCTING AND EQUIPPING THE FACILITY AND
MAKING CERTAIN FINDINGS AND DETERMINATIONS
WITH RESPECT TO THE FACILITY

WHEREAS, 46 Windsor 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 46 Windsor LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), have 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 3.10 acre parcel of land located at 46-48 Windsor Place, Central Islip, New York (the "**Land**"), the construction and equipping of an approximately 20,842 square foot building located on 46 Windsor Place, Central Islip and an approximately 22,102 square foot building located on 48 Windsor Place, Central Islip, for a total of approximately 42,944 square feet and containing approximately 31 multi-tenant industrial units, and the acquisition and installation therein of certain equipment and personal property (the "**Improvements**" and "**Equipment**"; and, together with the Land, the "**Facility**"), which Facility is to be leased by the Agency to the Company and used by the Company as a multi-tenant industrial/office space to be leased to commercial tenants for use by small industrial, service and research and development companies in their respective industries ("**Project**"); and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Equipment, will sublease and lease 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**"); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company 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, consistent with the policies of the Agency, 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 made a determination for 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 Agency has given due consideration to the application of the Company and to representations by the Company that the proposed financial assistance is either an inducement to the Company to maintain the Facility in the Town of Islip or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, the Company 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.

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 has 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 reviewed by the Agency and other representations and information furnished by the Company regarding the Facility, the Agency determines that the action relating to the acquisition, construction, 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, construction and equipping of the Facility by the Agency, the subleasing and leasing of the Facility to the Company 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. Subject to the provisions of this resolution and the Final Authorizing Resolution, the Agency shall (i) acquire, construct and equip the Facility; and (ii) lease and sublease the Facility to the Company.

Section 4. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Resolution and the Final Authorizing Resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease and Project Agreement, dated a date to be determined (the “**Lease Agreement**”), by and between the Company and the Agency.

Section 5. 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 6. 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 (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 7. Any expenses incurred by the Agency with respect to the Facility, including the expenses of Transaction Counsel, shall be paid by the Company. The Company will agree to pay such expenses and 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 8. 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 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 February 12, 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 February 12, 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 _____, 2010, at _____.m., local time, at 40 Nassau Avenue, Islip, New York 11751 in connection with the following matters:

46 Windsor 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 46 Windsor LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), have 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 3.10 acre parcel of land located at 46-48 Windsor Place, Central Islip, New York (the “**Land**”), the construction and equipping of an approximately 20,842 square feet building located on 46 Windsor Place, Central Islip and an approximately 22,102 square foot building located on 48 Windsor Place, Central Islip, for a total of approximately 42,944 square feet and containing approximately 31 multi-tenant industrial units, and the acquisition and installation therein of certain equipment and personal property (the “**Improvements**” and “**Equipment**”; and, together with the Land, the “**Facility**”), which Facility is to be leased by the Agency to the Company and used by the Company as a multi-tenant industrial/office space to be leased to commercial tenants for use by small industrial, service and research and development companies in their respective industries (the “**Project**”). The Facility will be initially owned, operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company 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 construction 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 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 with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: _____, 2019

TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY

By: William G. Mannix
Title: Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
_____, 2019

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
(46 WINDSOR LLC 2019 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:

46 Windsor 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 46 Windsor LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), have 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 3.10 acre parcel of land located at 46-48 Windsor Place, Central Islip, New York (the “**Land**”), the construction and equipping of an approximately 20,842 square feet building located on 46 Windsor Place, Central Islip and an approximately 22,102 square foot building located on 48 Windsor Place, Central Islip, for a total of approximately 42,944 square feet and containing approximately 31 multi-tenant industrial units, and the acquisition and installation therein of certain equipment and personal property (the “**Improvements**” and “**Equipment**”; and, together with the Land, the “**Facility**”), which Facility is to be leased by the Agency to the Company and used by the Company as a multi-tenant industrial/office space to be leased to commercial tenants for use by small industrial, service and research and development companies in their respective industries (the “**Project**”). The Facility will be initially owned, operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company 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 construction and equipping of the Facility and exemption of real property taxes 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 _____, 2019, at _____ .m., local time, at 40 Nassau Avenue, Islip, New York, 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 _____, 2019.

Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR FEBRUARY 12, 2019

AGENDA ITEM #4

TYPE OF RESOLUTION: RESOLUTION AUTHORIZING

COMPANY: GULL HAVEN COMMONS, LLC 2018
FACILITY

PROJECT LOCATION: CARLETON AND SUNBURST
BOULEVARD, CENTRAL ISLIP

JOBS (RETAINED/CREATED): RETAINED - 00 -
CREATE - 07 -

INVESTMENT: \$52,210,000.00

Date: February 12, 2019

At a meeting of the Town of Islip Industrial Development Agency (the "Agency") held on the 12th day of February, 2019, at Islip Town Hall, 655 Main Street, Islip, New York 11751, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on the authorization of change in ownership of the Assignee upon the occurrence of an Event of Default in connection with the financing of the Agency's Gull Haven Commons, LLC 2018 Facility.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY APPROVING THE CHANGE
IN OWNERSHIP OF THE ASSIGNEE UPON THE
OCCURRENCE OF AN EVENT OF DEFAULT.

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

WHEREAS, the Agency previously provided its assistance to Gull Haven Commons, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the "Original Company"), in the acquisition of an approximately 28.9 acre parcel of land (Tax Map #0500-165.00-13.00-002.004 (formerly known as p/o 002.001)) located at Carleton Avenue and Sunburst Boulevard, Central Islip, New York (the "Land"), the demolition of an existing approximately 7,000 square foot building located thereon, the construction of an approximately 187,000 square foot building thereon and the renovation of existing buildings located thereon totaling approximately 160,000 square feet (the "Improvements"), and the acquisition and installation therein of certain equipment and personal property (the "Equipment"; and together with the Land and the Improvements, the "Facility"), which Facility was leased by the Agency to the Original Company and was to be used by the Original Company as a 268-unit residential apartment complex (the "Project"); and

WHEREAS, the acquisition, demolition, construction, equipping and leasing of the Facility and the granting of financial benefits to the Original Company in connection therewith, were approved by the Agency by Resolution dated September 19, 2017 (the "Original Authorizing Resolution"); and

WHEREAS, the Land and the Improvements were leased by the Original Company to the Agency pursuant to the terms of the Company Lease Agreement, dated as of April 1, 2018 (the "Original Company Lease"); and

WHEREAS, the Agency subleased the Facility to the Original Company pursuant to a certain Lease and Project Agreement, dated as of April 1, 2018, (the "Original Lease Agreement"), by and between the Agency and the Original Company; and

WHEREAS, the Assignee (as hereinafter defined) desires to acquire, *inter alia*, the Facility from the Original Company pursuant to that certain Purchase and Sale Agreement, dated March 16, 2018, between the Original Company, as seller, and the Assignee, as purchaser (the "Acquisition"); and

WHEREAS, pursuant to a resolution dated November 20, 2018 (the "Assignment Authorizing Resolution"), the Agency authorized the assignment by the Original Company of all of its rights, title, interest and obligations under the Original Company Lease, the

Original Lease Agreement and certain other agreements in connection with the Facility to, and the assumption by, FRC GH OwnerCo LLC, a limited liability company organized and existing under the laws of the State of Delaware or another entity formed or to be formed by FRC GH OwnerCo LLC, or the principals thereof (collectively, the "Assignee" and the "Company"), and the release of the Original Company from any further liability with respect to the Facility subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, dated as of February 1, 2019 or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the "Assignment, Assumption and Amendment Agreement"), by and among the Agency, the Original Company and the Assignee; and

WHEREAS, the Original Company Lease will be assigned and amended pursuant to the Assignment, Assumption and Amendment Agreement (collectively, the Original Company Lease and the Assignment, Assumption and Amendment Agreement are the "Company Lease"); and

WHEREAS, the Original Lease Agreement will be assigned and amended pursuant to the Assignment, Assumption and Amendment Agreement (collectively, the Original Lease Agreement and the Assignment, Assumption and Amendment Agreement are the "Lease Agreement"); and

WHEREAS, the Assignee is wholly owned by FRC GH MezzCo LLC, a Delaware limited liability company (the "MezzCo"); and

WHEREAS, in connection with the financing necessary for the Acquisition and the Project Work (as such term is defined in the Lease Agreement, the Assignee intends to obtain a construction loan in the original aggregate amount of up to \$35,000,000.00 from Webster Bank, National Association (the "Mortgage Lender"), which shall be secured by mortgages encumbering the Facility (the "Construction Loan"), and MezzCo intends to obtain a mezzanine loan in the original aggregate amount of up to \$30,000,000.00 from RXR Gull Haven Mezz Lender LLC (the "Mezz Lender"; and together with the Mortgage Lender, the "Lender"), which shall be secured by a pledge by MezzCo of all of the membership interests in the Assignee (the "Mezz Loan"; and together with the Construction Loan, the "Loan"); and

WHEREAS, pursuant to MezzCo's pledge to Mezz Lender of all of the membership interests in the Assignee through a certain Pledge and Security Agreement between MezzCo and Mezz Lender (the "Pledge Agreement", and together with any other agreement, contract, instrument, or indenture in connection with the Mezz Loan, the "Mezz Loan Documents"), Mezz Lender shall have the right to acquire all of MezzCo's membership interests in the Assignee upon an event of default under the Mezz Loan Documents; and

WHEREAS, pursuant to Section 8.3 of the Lease Agreement, the Assignee may not change more than 49% of the ownership and control of the Assignee or sell or transfer more than 49% of the equity interests in the Assignee, except with consent of the Agency, which consent shall not be unreasonably withheld or delayed or conditioned; and

WHEREAS, the Assignee and MezzCo have requested the Agency's consent to (i) the granting by MezzCo of the pledge of all of the membership interests in the Assignee as security for the Mezz Loan; (ii) and the provision in the Pledge Agreement that upon the occurrence of an event of default under the Mezz Loan, the Mezz Lender would acquire sole ownership and control of the Assignee from MezzCo; and

WHEREAS, pursuant to this resolution, the Agency will consent to the transfer of all of the membership interests in the Assignee from MezzCo to the Mezz Lender upon the occurrence of an event of default under the Mezz Loan Documents; and

WHEREAS, the Assignee has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by this resolution.

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

Section 1. The Agency hereby finds and determines:

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

(b) The Facility continues to constitute a "project", as such term is defined in the Act; and

(c) Consent to the transfer of all of the membership interests in the Assignee from MezzCo to the Mezz Lender upon a future event of default under the Mezz Loan Documents 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

(d) Consent to the transfer of all of the membership interests in the Assignee from MezzCo to the Mezz Lender upon a future event of default under the Mezz Loan Documents is reasonably necessary to induce the Assignee to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Original Company, the Assignee and/or its counsel, 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; and

(f) It is desirable and in the public interest for the Agency to consent to the transfer of all of the membership interests of the Assignee from MezzCo to the Mezz Lender upon a future event of default under the Mezz Loan Documents.

Section 2. Subject to the provisions of this resolution and the Lease Agreement, the Agency hereby consents to the transfer of all of the membership interests in the Assignee

from MezzCo to the Mezz Lender upon the occurrence of a future event of default under the Mezz Loan Documents and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect thereto are hereby approved, ratified and confirmed.

Section 3. The Agency hereby acknowledges that, pursuant to this resolution, upon the acquisition of the Mezz Lender of the sole ownership and control of the Assignee after the occurrence of an event of default under the Mezz Loan Documents, the Agency shall be deemed to have consented to such change in ownership and control and transfer of all of the membership interests of the Assignee as required under Section 8.3 of the Lease Agreement.

Section 4. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town
of Islip Industrial Development Agency (the "Agency"), including the resolutions contained
therein, held on the 12th day of February, 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 are each in
substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was
duly given to the public and the news media in accordance with the New York Open
Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that
all members of said Agency had due notice of said meeting and that the meeting was all
respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 12th day of
February, 2019.

By _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR FEBRUARY 12, 2019

AGENDA ITEM #5

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: HAUPPAUGE HOLDINGS, LLC

PROJECT LOCATION: 878 VETERANS MEMORIAL
HIGHWAY, HAUPPAUGE

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

INVESTMENT: \$ N/A

Date: February 12, 2019

At a meeting of the Town of Islip Industrial Development Agency (the "Agency") held on the 12th day of February, 2019, at Islip Town Hall, 655 Main Street, Islip, New York 11751, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on the authorization of change in ownership of the Assignee upon the occurrence of an Event of Default in connection with the financing of the Agency's 878 Lease LLC Facility.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY APPROVING A FINANCING
AND A CHANGE IN OWNERSHIP OF THE COMPANY
UPON THE OCCURRENCE OF AN EVENT OF DEFAULT.

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

WHEREAS, the Agency previously provided its assistance to 878 Realty Co., LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the "**Original Company**"), in (i) the acquisition of a leasehold interest in an approximately one-half acre parcel of land located at 878 Veterans Memorial Highway, Hauppauge, Town of Islip, Suffolk County, New York (the "**Land**") and the construction and equipping of an approximately 87,945 square foot facility located thereon (the "**Improvements**") and the acquisition and installation of certain equipment not part of the Equipment (as such term is defined below) (the "**Facility Equipment**"; and, together with the Land and Improvements, the "**Company Facility**"), which Company Facility is to be subleased by the Agency to the Original Company and further subleased by the Original Company to Allstate Insurance Company, an Illinois business company (the "**Sublessee**"); and (ii) the acquisition and installation of certain equipment and personal property (the "**Equipment**"; and together with the Company Facility, the "**Facility**"), including, but not limited to, general office and computer equipment, which Equipment is to be leased by the Agency to the Sublessee and which Facility is to be used by the Sublessee for its primary use as a major insurance company; and

WHEREAS, the Land was leased by Hauppauge Office Park Associates, LLC, a New York limited liability company (the "**Original Ground Lessor**") to the Original Company pursuant to a certain Ground Lease, dated as of July 1, 2013 (the "**Ground Lease**") for further sublease by the Original Company to the Agency pursuant to the terms of the Company Lease Agreement, dated as of September 1, 2013 (the "**Original Company Lease Agreement**"); and

WHEREAS, the Agency subleased the Company Facility to the Original Company pursuant to a certain Lease Agreement, dated as of February 1, 2014, (the "**Original Lease Agreement**"), by and between the Agency, as lessor, and the Original Company, as sublessee; and

WHEREAS, in order to define the Original Company's and the Sublessee's obligations regarding payments-in-lieu of taxes, the Agency, the Original Company and the Sublessee previously entered into a Payment in Lieu of Tax Agreement, dated as of February 1, 2014 (the "**Original PILOT Agreement**"), by and among the Agency, the Original Company and the Sublessee, whereby the Original Company and the Sublessee agreed to make certain payments-in-lieu-of-taxes to the Taxing Authorities (as defined therein); and

WHEREAS, the Original Company and the Sublessee previously entered into a Recapture Agreement, dated as of February 1, 2014 (the "**Original Recapture Agreement**"), from the Original Company and the Sublessee to the Agency in order to reflect the repayment of obligations of the Original Company and the Sublessee upon the occurrence of a Recapture Event (as defined therein); and

WHEREAS, as a condition to an inducement for the Agency to enter into and perform the transactions contemplated by the Lease Agreement, the Agency required the Original Company and the Sublessee to enter into an Environmental Compliance and Indemnification Agreement, dated as of February 1, 2014 (the "**Original Environmental Compliance and Indemnification Agreement**"), by and among the Original Company, the Sublessee and the Agency; and

WHEREAS, 878 Lease LLC, a limited liability company organized and existing under the laws of the State of Delaware and authorized to transact business in the State of New York (the "**Company**"), previously requested the Agency's consent to the assignment by the Original Company of all of its rights, title, interest and obligations under the Original Lease Agreement, the Original PILOT Agreement, the Original Recapture Agreement, the Original Environmental Compliance and Indemnification Agreement and certain other agreements in connection with the Facility to, and the assumption by, the Company of all of such rights, title, interest and obligations of the Original Company, and the release of the Original Company from any further liability with respect to the Facility subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of October 31, 2017 (the "**Assignment, Assumption and Amendment Agreement**"), by and among the Agency, the Original Company, the Sublessee and the Company; and

WHEREAS, in connection with such assignment, the Land was sold by the Original Ground Lessor to SIG 888 LLC (the "**Ground Lessor**"), and the Land continued to be leased by the Ground Lessor to the Company; and

WHEREAS, the assignment and assumption by the Company of the Original Company's rights, title, interest and obligations with respect to the Facility, were approved by the Agency by Resolution dated October 12, 2017 (the "**Assignment Authorizing Resolution**"); and

WHEREAS, the Original Company Lease was assigned and amended pursuant to the Assignment, Assumption and Amendment Agreement (collectively, the Original Company Lease and the Assignment, Assumption and Amendment Agreement are the "**Company Lease**"); and

WHEREAS, the Original Lease Agreement was assigned and amended pursuant to the Assignment, Assumption and Amendment Agreement (collectively, the Original Lease Agreement and the Assignment, Assumption and Amendment Agreement are the "**Lease Agreement**"); and

WHEREAS, the Ground Lessor and the Company have notified the Agency of their respective desire to transfer 100% ownership in the Ground Lessor and the Company to Hauppauge Holdings LLC, a single purpose Delaware limited liability company (the "Ownership Transfer"); and

WHEREAS, the Company has also notified the Agency that it will be entering into a financing with RCG LV DEBT VI REIT, LLC ("Mezzanine Lender"), which shall be secured by a pledge of all of the membership interests in the Ground Lessor and in the Company (the "Mezzanine Loan"); and

WHEREAS, the pledge of all of the membership interests in the Ground Lessor and in the Company to the Mezzanine Lender, will be pursuant to a certain Pledge and Security Agreement, or such other similar document, between Ground Lessor and the Company and the Mezzanine Lender (the "Pledge Agreement", and together with any other agreement, contract, instrument, or indenture in connection with the Mezzanine Loan, the "Mezzanine Loan Documents"), the Mezzanine Lender shall have the right to acquire all of of the Ground Lessor and the Company's membership interests upon an event of default under the Mezzanine Loan Documents; and

WHEREAS, pursuant to Section 8.3 of the Lease Agreement, the Company may not change more than 49% of the ownership and control of the Company or sell or transfer more than 49% of the equity interests in the Company, except with consent of the Agency, which consent shall not be unreasonably withheld or delayed or conditioned; and

WHEREAS, the Company and the Mezzanine Lender have requested the Agency's consent to (i) the granting by the Ground Lessor and the Company of the pledge of all of the membership interests in the Ground Lessor and the Company as security for the Mezzanine Loan; (ii) and the provision in the Pledge Agreement that upon the occurrence of an event of default under the Mezzanine Loan, the Mezzanine Lender would acquire sole ownership and control of the Ground Lessor and the Company; and

WHEREAS, the Company and the Mezzanine Lender have also requested that the Agency sign an estoppel certificate, or such other agreement (the "Estoppel Certificate"), in connection with the Mezzanine Loan; and

WHEREAS, pursuant to this resolution, the Agency will consent to (i) the transfer of 100% ownership in the Company to Hauppauge Holdings LLC, (ii) the transfer of all of the membership interests in the Company to the Mezzanine Lender upon the occurrence of an event of default under the Mezzanine Loan Documents (the "Mezzanine Transfer"), and (iii) the execution of the Estoppel Certificate by the Agency; and

WHEREAS, pursuant to this resolution, the Agency will consent to (i) the transfer of 100% ownership in the Ground Lessor and the Company to Hauppauge Holdings LLC, (ii) the transfer of all of the membership interests in the Ground Lessor and the Company to the Mezzanine Lender upon the occurrence of an event of default under the Mezzanine Loan Documents; and

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

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

Section 1. The Agency hereby finds and determines:

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

(b) The Facility continues to constitute a "project", as such term is defined in the Act; and

(c) Consent to the transfer of 100% ownership in the Ground Lessor and the Company to Hauppauge Holdings LLC, and the transfer all of the membership interests in the Ground Lessor and the Company to the Mezzanine Lender upon a future event of default under the Mezzanine Loan Documents 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

(d) Consent to the transfer of 100% ownership in the Ground Lessor and the Company to Hauppauge Holdings LLC, and the transfer of all of the membership interests in the Ground Lessor and the Company to the Mezzanine Lender upon a future event of default under the Mezzanine Loan Documents is reasonably necessary to induce the Ground Lessor and the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and/or its counsel, 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; and

(f) It is desirable and in the public interest for the Agency to consent to the transfer 100% ownership in the Ground Lessor and the Company to Hauppauge Holdings LLC, and to consent to the transfer of all of the membership interests of the Ground Lessor and the Company to the Mezzanine Lender upon a future event of default under the Mezzanine Loan Documents.

Section 2. In consequence of the foregoing, the Agency hereby determines to (i) execute and deliver the Estoppel Certificate, (ii) consent to the Ownership Transfer, and (iii) consent to the Mezzanine Transfer.

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency hereby consents to the transfer of 100% ownership in the Ground Lessor and the Company to Hauppauge Holdings LLC, and to the transfer of all of the membership interests

in the Ground Lessor and the Company to the Mezzanine Lender upon the occurrence of a future event of default under the Mezzanine Loan Documents and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect thereto are hereby approved, ratified and confirmed.

Section 4. The Agency hereby acknowledges that, pursuant to this resolution, upon the transfer of 100% ownership in the Ground Lessor and the Company to Hauppauge Holdings LLC, and upon the acquisition of the Mezzanine Lender of the sole ownership and control of the Ground Lessor and the Company after the occurrence of an event of default under the Mezzanine Loan Documents, the Agency shall be deemed to have consented to such change in ownership and control and transfer of all of the membership interests of the Company as required under Section 8.3 of the Lease Agreement.

Section 5.

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

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

Section 6. 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 7. This resolution shall take effect immediately

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR FEBRUARY 12, 2019

AGENDA ITEM #6

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: HAUPPAUGE HOLDINGS, LLC

PROJECT LOCATION: 888 & 898 VETERANS MEMORIAL
HIGHWAY, HAUPPAUGE

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

INVESTMENT: \$ N/A

Date: February 12, 2019

At a meeting of the Town of Islip Industrial Development Agency (the "Agency") held on the 12th day of February, 2019, at Islip Town Hall, 655 Main Street, Islip, New York 11751, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on the authorization of change in ownership of the Assignee upon the occurrence of an Event of Default in connection with the financing of the Agency's SIG 888 LLC Facility.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY APPROVING A FINANCING
AND A CHANGE IN OWNERSHIP OF THE COMPANY
UPON THE OCCURRENCE OF AN EVENT OF DEFAULT.

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

WHEREAS, the Agency previously provided its assistance to Hauppauge Office Park Associates, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the "Original Company"), in acquisition of approximately 25 acres of land located at 888 and 898 Veterans Highway, Hauppauge, Town of Islip, Suffolk County, New York (the "Land"), and the renovation and equipping of two buildings totaling approximately 220,000 square feet of space located thereon to make tenant fit-out improvements to provide incentives towards full occupancy by various lessees (collectively, the "Improvements"; and, together with the Land, the "Facility"), all to be leased by the Agency to the Assignor for further sublease by the Assignor to tenants (collectively, the "Sublessees"); and

WHEREAS, the Land was leased by the Original Company to the Agency pursuant to the terms of the Company Lease Agreement, dated as of February 1, 2014 (the "Original Company Lease Agreement"); and

WHEREAS, the Agency subleased the Company Facility to the Original Company pursuant to a certain Lease Agreement, dated as of February 1, 2014, (the "Original Lease Agreement"), by and between the Agency, as sublessor, and the Original Company, as sublessee; and

WHEREAS, in order to define the Original Company's obligations regarding payments-in-lieu of taxes, the Agency, the Original Company previously entered into a Payment in Lieu of Tax Agreement, dated as of February 1, 2014 (the "Original PILOT Agreement"), by and between the Agency and the Original Company, whereby the Original Company agreed to make certain payments-in-lieu-of-taxes to the Taxing Authorities (as defined therein); and

WHEREAS, the Original Company previously entered into a Recapture Agreement, dated as of February 1, 2014 (the "Original Recapture Agreement"), from the Original Company to the Agency in order to reflect the repayment of obligations of the Original Company upon the occurrence of a Recapture Event (as defined therein); and

WHEREAS, as a condition to an inducement for the Agency to enter into and perform the transactions contemplated by the Lease Agreement, the Agency required the Original Company to enter into an Environmental Compliance and Indemnification

Agreement, dated as of February 1, 2014 (the "**Original Environmental Compliance and Indemnification Agreement**"), by and between the Original Company and the Agency; and

WHEREAS, SIG 888 LLC, a limited liability company organized and existing under the laws of the State of New York (the "**Company**"), previously requested the Agency's consent to the assignment by the Original Company of all of its rights, title, interest and obligations under the Original Lease Agreement, the Original PILOT Agreement, the Original Recapture Agreement, the Original Environmental Compliance and Indemnification Agreement and certain other agreements in connection with the Facility to, and the assumption by, the Company of all of such rights, title, interest and obligations of the Original Company, and the release of the Original Company from any further liability with respect to the Facility subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of October 31, 2017 (the "**Assignment, Assumption and Amendment Agreement**"), by and among the Agency, the Original Company, and the Company; and

WHEREAS, the assignment and assumption by the Company of the Original Company's rights, title, interest and obligations with respect to the Facility, were approved by the Agency by Resolution dated October 12, 2017 (the "**Assignment Authorizing Resolution**"); and

WHEREAS, the Original Company Lease was assigned and amended pursuant to the Assignment, Assumption and Amendment Agreement (collectively, the Original Company Lease and the Assignment, Assumption and Amendment Agreement are the "**Company Lease**"); and

WHEREAS, the Original Lease Agreement was assigned and amended pursuant to the Assignment, Assumption and Amendment Agreement (collectively, the Original Lease Agreement and the Assignment, Assumption and Amendment Agreement are the "**Lease Agreement**"); and

WHEREAS, the Company has notified the Agency of its desire to transfer 100% ownership in the Company to Hauppauge Holdings LLC, a single purpose Delaware limited liability company (the "**Ownership Transfer**"); and

WHEREAS, the Company has also notified the Agency that it will be entering into a financing with RCG LV DEBT VI REIT, LLC ("**Mezzanine Lender**"), which shall be secured by a pledge of all of the membership interests in the Company (the "**Mezzanine Loan**"); and

WHEREAS, the pledge of all of the membership interests in the Company to the Mezzanine Lender, will be pursuant to a certain Pledge and Security Agreement, or such other similar documents, between the Company and the Mezzanine Lender (the "**Pledge Agreement**"), and together with any other agreement, contract, instrument, or indenture in connection with the Mezzanine Loan, the "**Mezzanine Loan Documents**"), the Mezzanine Lender shall have the right to acquire all of the Company's membership interests upon an event of default under the Mezzanine Loan Documents; and

WHEREAS, pursuant to Section 8.3 of the Lease Agreement, the Company may not change more than 49% of the ownership and control of the Company or sell or transfer more than 49% of the equity interests in the Company, except with consent of the Agency, which consent shall not be unreasonably withheld or delayed or conditioned; and

WHEREAS, the Company and the Mezzanine Lender have requested the Agency's consent to (i) the granting by the Company of the pledge of all of the membership interests in the Company as security for the Mezzanine Loan; (ii) and the provision in the Pledge Agreement that upon the occurrence of an event of default under the Mezzanine Loan, the Mezzanine Lender would acquire sole ownership and control of the Company; and

WHEREAS, the Company and the Mezzanine Lender have also requested that the Agency sign an estoppel certificate, or such other agreement (the "Estoppel Certificate"), in connection with the Mezzanine Loan; and

WHEREAS, pursuant to this resolution, the Agency will consent to (i) the transfer of 100% ownership in the Company to Hauppauge Holdings LLC, (ii) the transfer of all of the membership interests in the Company to the Mezzanine Lender upon the occurrence of an event of default under the Mezzanine Loan Documents (the "Mezzanine Transfer"), and (iii) the execution of the Estoppel Certificate by the Agency; and

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

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

Section 1. The Agency hereby finds and determines:

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

(b) The Facility continues to constitute a "project", as such term is defined in the Act; and

(c) Consent to the transfer of 100% ownership in the Company to Hauppauge Holdings LLC, and the transfer all of the membership interests in the Company to the Mezzanine Lender upon a future event of default under the Mezzanine Loan Documents 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

(d) Consent to the transfer of 100% ownership in the Company to Hauppauge Holdings LLC, and the transfer of all of the membership interests in the Company to the Mezzanine Lender upon a future event of default under the Mezzanine Loan Documents is

reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and/or its counsel, 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; and

(f) It is desirable and in the public interest for the Agency to consent to the transfer 100% ownership in the Company to Hauppauge Holdings LLC, and to consent to the transfer of all of the membership interests of the Company to the Mezzanine Lender upon a future event of default under the Mezzanine Loan Documents.

Section 2. In consequence of the foregoing, the Agency hereby determines to (i) execute and deliver the Estoppel Certificate, (ii) consent to the Ownership Transfer, and (iii) consent to the Mezzanine Transfer.

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency hereby consents to the transfer of 100% ownership in the Company to Hauppauge Holdings LLC, and to the transfer of all of the membership interests in the Company to the Mezzanine Lender upon the occurrence of a future event of default under the Mezzanine Loan Documents and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect thereto are hereby approved, ratified and confirmed.

Section 4. The Agency hereby acknowledges that, pursuant to this resolution, upon the transfer of 100% ownership in the Company to Hauppauge Holdings LLC, and upon the acquisition of the Mezzanine Lender of the sole ownership and control of the Company after the occurrence of an event of default under the Mezzanine Loan Documents, the Agency shall be deemed to have consented to such change in ownership and control and transfer of all of the membership interests of the Company as required under Section 8.3 of the Lease Agreement.

Section 5.

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

(b) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are further hereby authorized, on behalf of the

Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement.

Section 6. 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 7. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town
of Islip Industrial Development Agency (the "Agency"), including the resolutions contained
therein, held on the 12th day of February, 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 are each in
substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was
duly given to the public and the news media in accordance with the New York Open
Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that
all members of said Agency had due notice of said meeting and that the meeting was all
respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 12th day of
February, 2019.

By _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR FEBRUARY 12, 2019

AGENDA ITEM #7

TYPE OF RESOLUTION: AMENDED AUTHORIZING
RESOLUTION

COMPANY: 25 ANDREA, LLC/CERTIFIED INTERIORS

PROJECT LOCATION: N/A

JOBS (RETAINED/CREATED): RETAINED - 53 -
CREATE - 20 -

INVESTMENT: \$9,200,000.00

Date: February 12, 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 12th day of February, 2019, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to a certain industrial development facility more particularly described below (25 Andrea LLC 2019 Facility) and the leasing of the facility to 25 Andrea LLC.

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

Voting Ave

Voting Nav

AMENDED RESOLUTION OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE
ACQUISITION, RENOVATION AND EQUIPPING OF A
CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR 25
ANDREA 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 25 ANDREA LLC AND/OR AN ENTITY
FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE
FOREGOING AND APPROVING THE FORM, SUBSTANCE
AND EXECUTION OF RELATED DOCUMENTS.

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

WHEREAS, 25 Andrea 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 25 Andrea LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "25 Andrea LLC"), has applied to the Agency to enter into a transaction in which the Agency will assist in the acquisition of an approximately 4.93 acre parcel of land located at 300 Rabro Drive, Hauppauge, New York (the "Land"), the renovation of an approximately 56,597 square foot building located 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 25 Andrea LLC, to be further subleased by the Company as follows: (i) an approximately 25,000 square foot portion of the Facility will be subleased to Carob Industries, Inc., a New York business corporation ("Carob Industries"), (ii) an approximately 10,532 square foot portion of the Facility will be subleased to Certified Interiors, Inc., a New York business corporation ("Certified Interiors"), (iii) an approximately 10,532 square foot portion of the Facility will be subleased to Telcar Certified Ltd., a New York business corporation ("Telcar Certified"), and (iv) an approximately 10,532 square foot portion of the Facility will be subleased to V.R.D. Contracting Inc., a New York business corporation ("V.R.D. Contracting"; and together with Carob Industries, Certified Interiors and Telcar Certified, the "Sublessees") (the "Project"); and

WHEREAS, the Agency by resolution duly adopted on January 15, 2019 (the "Original Authorizing Resolution"), authorized the acquisition, renovation and equipping of the Facility and the execution and delivery of the Agency Documents (as defined therein); and

WHEREAS, counsel to 25 Andrea LLC has notified the Agency of 25 Andrea LLC's intent to enter into a reverse 1031 exchange for the Facility, and 25 Andrea LLC will form an entity known as 300 Rabro LLC, a limited liability company, or such other entity as may be

determined (the "LLC" and after the Effective Date (as hereinafter defined), the "Company"), the sole member of the LLC will initially be a qualified exchange company (the "Exchange Agent"; and, before Effective Date, the "Company"), and upon the conclusion of the Reverse 1031 Exchange (the "Reverse 1031 Exchange") the membership interests in the LLC will be transferred by the Exchange Agent to 25 Andrea LLC, as the sole member of the LLC, and the LLC will become the Company (the "Reverse 1031 Exchange"); and

WHEREAS, the Project will now be described as the providing and leasing of an industrial development facility to the Company and consisting of the acquisition of an approximately 4.93 acre parcel of land located at 300 Rabro Drive, Hauppauge, New York (the "Land"), the renovation of an approximately 56,597 square foot building located 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, to be further subleased by the Company as follows: (i) an approximately 25,000 square foot portion of the Facility will be subleased to Carob Industries, Inc., a New York business corporation ("Carob Industries"), (ii) an approximately 10,532 square foot portion of the Facility will be subleased to Certified Interiors, Inc., a New York business corporation ("Certified Interiors"), (iii) an approximately 10,532 square foot portion of the Facility will be subleased to Telcar Certified Ltd., a New York business corporation ("Telcar Certified"), and (iv) an approximately 10,532 square of foot portion of the Facility will be subleased to V.R.D. Contracting Inc., a New York business corporation ("V.R.D. Contracting"; and together with Carob Industries, Certified Interiors and Telcar Certified, the "Sublessees") and to be used as office, manufacturing and warehouse space in connection with their respective businesses in connection with custom wood furniture (the "Project"); and

WHEREAS, the Exchange Agent and the LLC will enter into an Exchange Accommodation Titleholder Agreement, and such other documents as may be necessary (the "Accommodation Agreement"), pursuant to which the Exchange Agent has agreed to acquire the fee title interest in the Facility prior to the Effective Date; and

WHEREAS, pursuant to the Accommodation Agreement, the Exchange Agent's fee interest in the Facility will be assumed by the Company, on the earlier to occur of (i) the closing of the transactions contemplated by the Accommodation Agreement, or (ii) six (6) months after the execution and delivery of the Accommodation Agreement (the "Effective Date"); and

WHEREAS, upon the Effective Date, the parties hereto hereby agree that 25 Andrea LLC will be the sole member of the Company, and the Agency agrees to release the Exchange Agent from all of its obligations, liabilities and duties under the Lease Agreement arising as a result of the Exchange Agent's ownership interest in the Facility prior to the Effective Date; and

WHEREAS, they Agency ratifies and confirms all terms contemplated under the Original Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the transaction contemplated in the Original Authorizing Resolution, as amended by this Amended Authorizing Resolution; and

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

Section 1. The Agency hereby amends the Original Authorizing Resolution, as amended by this Amended Authorizing Resolution to consent to the Reverse 1031 Exchange.

Section 2. The Agency hereby ratifies and confirms all terms contemplated by the Original Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents.

Section 3. This amended 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 12th day of February, 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 are each in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 12th day of February, 2019.

By: _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR FEBRUARY 12, 2019

AGENDA ITEM #8

TYPE OF RESOLUTION: AMENDED AUTHORIZING
RESOLUTION

COMPANY: ULTRAFLEX INTERNATIONAL

PROJECT LOCATION: N/A

JOBS (RETAINED/CREATED): RETAINED - 14 -
CREATE - 03 -

INVESTMENT: \$2,390,000.00

Date: February 12, 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 12th day of February, 2019, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to a certain industrial development facility more particularly described below (US Tech Realty LLC/Ultraflex International Inc./Ultraflex Power Technologies Corp. 2019 Facility) and the leasing of the facility to Ultraflex International Inc. and Ultraflex Power Technologies Corp.

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

Voting Aye

Voting Nay

AMENDED RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR US TECH REALTY LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF US TECH REALTY LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND ULTRAFLEX INTERNATIONAL INC., A NEW YORK BUSINESS CORPORATION ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF ULTRAFLEX INTERNATIONAL INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND ULTRAFLEX POWER TECHNOLOGIES CORP., A NEW YORK BUSINESS CORPORATION ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF ULTRAFLEX POWER TECHNOLOGIES CORP. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS.

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

WHEREAS, there was submitted to the Agency a proposal to undertake the providing and leasing of an industrial development facility to US Tech Realty 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 US Tech Realty LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "US Tech Realty"), Ultraflex International 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 Ultraflex International Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Ultraflex International"), and Ultraflex Power Technologies Corp., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Ultraflex Power Technologies Corp. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Ultraflex Power"; and, together with Ultraflex International are collectively, the "Sublessees"), have applied to the Town of Islip Industrial Development Agency (the "Agency"), consisting of (a) the acquisition of an approximately 0.81 acre parcel of land located at 10 Colt Court, Ronkonkoma, New York (the "Land"), the renovation of an approximately 12,400 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 US Tech Realty and approximately all or a portion of the Company Facility will be further subleased by US Tech Realty to each Sublessee; (b) the acquisition and installation of certain equipment and personal property, including but not limited to new office equipment, furniture, manufacturing equipment and information technology equipment (collectively, the **"Ultraflex International Equipment"**; and together with all or a portion of the Company Facility, the **"Ultraflex International Facility"**), which Ultraflex International Equipment is to be leased by the Agency to Ultraflex International, and which Ultraflex International Facility is to be used by Ultraflex International as manufacturing space in its business of manufacturing high-power induction heating equipment including, Smart Power machines, EasyMelt, and SB3 (the **"Ultraflex International Project"**), and (c) the acquisition and installation of certain equipment and personal property, including but not limited to new office equipment, furniture, manufacturing equipment and information technology equipment (collectively, the **"Ultraflex Power Equipment"**; and together with all or a portion of the Company Facility, the **"Ultraflex Power Facility"**; and, together with the Ultraflex International Facility, collectively, the **"Facility"**) (the Ultraflex International Equipment together with the Ultraflex Power Equipment is collectively, the **"Equipment"**), which Ultraflex Power Equipment is to be leased by the Agency to Ultraflex Power, and which Ultraflex Power Facility is to be used by Ultraflex Power as manufacturing space in its business of manufacturing high-power induction heating equipment including, Smart Power machines, EasyMelt, and SB3 (the **"Ultraflex Power Project"**; and, together with the Ultraflex International Project, collectively, the **"Project"**); and

WHEREAS, the Agency by resolution duly adopted on January 15, 2019 (the **"Authorizing Resolution"**), authorized the acquisition, renovation and equipping of the Facility and the execution and delivery of the Agency Documents (as defined therein); and

WHEREAS, counsel to US Tech Realty has notified the Agency of US Tech Realty's intent to enter into a reverse 1031 exchange for the Facility, and US Tech Realty will form an entity not yet known (the **"LLC"** and **"Company"**), the sole member of the LLC will initially be a qualified exchange company (the **"Exchange Agent"**; and, before Effective Date, the **"Company"**), and upon the conclusion of the Reverse 1031 Exchange (the **"Reverse 1031 Exchange"**) the membership interests in the LLC will be transferred by the Exchange Agent to US Tech Realty, as the sole member of the LLC, and the LLC will become the Company (the **"Reverse 1031 Exchange"**); and

WHEREAS, the Project will now be described as the providing and leasing of an industrial development facility to the Company, Ultraflex International 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 Ultraflex International Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the **"Ultraflex International"**), and Ultraflex Power Technologies Corp., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Ultraflex Power Technologies Corp. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the **"Ultraflex Power"**; and, together with Ultraflex International are collectively, the **"Sublessees"**), consisting of (a) the acquisition of an approximately 0.81 acre parcel of land located at 10 Colt Court, Ronkonkoma, New York (the **"Land"**), the

renovation of an approximately 12,400 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 US Tech Realty and approximately all or a portion of the Company Facility will be further subleased by US Tech Realty to each Sublessee; (b) the acquisition and installation of certain equipment and personal property, including but not limited to new office equipment, furniture, manufacturing equipment and information technology equipment (collectively, the **"Ultraflex International Equipment"**); and together with all or a portion of the Company Facility, the **"Ultraflex International Facility"**), which Ultraflex International Equipment is to be leased by the Agency to Ultraflex International, and which Ultraflex International Facility is to be used by Ultraflex International as manufacturing space in its business of manufacturing high-power induction heating equipment including, Smart Power machines, EasyMelt, and SB3 (the **"Ultraflex International Project"**), and (c) the acquisition and installation of certain equipment and personal property, including but not limited to new office equipment, furniture, manufacturing equipment and information technology equipment (collectively, the **"Ultraflex Power Equipment"**); and together with all or a portion of the Company Facility, the **"Ultraflex Power Facility"**; and, together with the Ultraflex International Facility, collectively, the **"Facility"**) (the Ultraflex International Equipment together with the Ultraflex Power Equipment is collectively, the **"Equipment"**), which Ultraflex Power Equipment is to be leased by the Agency to Ultraflex Power, and which Ultraflex Power Facility is to be used by Ultraflex Power as manufacturing space in its business of manufacturing high-power induction heating equipment including, Smart Power machines, EasyMelt, and SB3 (the **"Ultraflex Power Project"**); and, together with the Ultraflex International Project, collectively, the **"Project"**); and

WHEREAS, the Exchange Agent and the LLC will enter into an Exchange Accommodation Titleholder Agreement, and such other documents as may be necessary (the **"Accommodation Agreement"**), pursuant to which the Exchange Agent has agreed to acquire the fee title interest in the Facility prior to the Effective Date (as such term is defined in the Lease Agreement); and

WHEREAS, pursuant to the Accommodation Agreement, the Exchange Agent's fee interest in the Facility will be assumed by the Company, on the earlier to occur of (i) the closing of the transactions contemplated by the Accommodation Agreement, or (ii) six (6) months after the execution and delivery of the Accommodation Agreement; and

WHEREAS, upon the Effective Date, the parties hereto hereby agree that US Tech Realty will be the sole member of the Company and shall be the owner of the Facility, and the Agency agrees to release the Exchange Agent from all of its obligations, liabilities and duties under the Lease Agreement arising as a result of the Exchange Agent's ownership interest in the Facility prior to the Effective Date (as such term is defined in the Lease Agreement); and

WHEREAS, the Agency ratifies and confirms all terms contemplated under the Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents (as defined therein); and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the transaction contemplated in the Authorizing Resolution, as amended by this Amended Authorizing Resolution; and

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

Section 1. The Agency hereby amends the Authorizing Resolution, as amended by this Amended Authorizing Resolution to consent to the Reverse 1031 Exchange.

Section 2. The Agency hereby ratifies and confirms all terms contemplated by the Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents.

Section 3. This amended 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 12th day of February, 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 are each in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 12th day of February, 2019.

By: _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR FEBRUARY 12, 2019

AGENDA ITEM #9

TYPE OF RESOLUTION: TO CONSIDER TO APPROVE A ONE YEAR AGREEMENT WITH **AVZ** (ALBRECHT, VIGGIANO, ZURECK & Co., P.C.

COMPANY: N/A

PROJECT LOCATION: N/A

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

INVESTMENT: \$N/A

February 12, 2019

WHEREAS, the Town of Islip Industrial Development Agency (The Agency) is required by General Municipal Law to have an audit conducted by an independent, licensed accounting firm, and;

WHEREAS, in order to ensure that the Agency will be provided the best services available, at the best cost available, and in compliance with accepted standards, on February 26, 2016, the Town of Islip issued a Request for Proposal (RFP) for Accounting and Auditing services, and;

WHEREAS, such RFP included requests for services to be provided to the Industrial Development Agency and the Economic Development Corporation, and:

WHEREAS, on April 19, 2016 the Town Board awarded the contract to Albrecht, Viggiano, Zureck & Co., P.C., and;

WHEREAS, the RFP required the contract to allow for four (4) one year extensions upon mutual written consent, and;

WHEREAS, the Agency has received written consent from Albrecht, Viggiano, Zureck & Co., P.C. to extend the contract to perform the audit of the Agency for the year ending December 31, 2018, and;

WHEREAS, the Agency is interested in extending the contract with Albrecht, Viggiano, Zureck & Co., P.C. to perform this audit.

NOW, THEREFORE, on motion of _____, seconded by _____
be it approved

RESOLVED, that the Corporation Board hereby authorizes the Supervisor to execute a one year extension between the Agency and Albrecht, Viggiano, Zureck & Co., P.C., by mutual written consent, for Auditing and Accounting Services for the 2018 Audit.

Upon a vote being taken, the result was:

RESOLVED, this resolution replaces resolution #14 from the Tuesday, January 15, 2019 meeting.