



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

March 19, 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 **February 12, 2019**.
3. To consider the adoption of a Resolution Authorizing an agreement between the Town of Islip Industrial Development Agency and **Sunrise Business Center/Verizon Wireless (Tenant)**. Located at 3500 Sunrise Highway, Great River. (0500-21100-0100-005006).
4. To consider the adoption of a Resolution Authorizing Refinancing on behalf of the Town of Islip Industrial Development Agency and **Bay Shore Main & 4th, LLC Facility**. Located at 1-19 & 21-27 East Main Street, Bay Shore. 0500-39300-0300-025000) & (0500-39300-0300-026001).
5. To consider the adoption of an Inducement/Authorization Resolution between the Town of Islip Industrial Development Agency and **Bay Park Holdings (Senior Affordable Housing)**. Located at 28, 32 & 34 Park Avenue, Bay Shore. (0500-39300-0200-073005), (0500-39300-0200-072000) & (0500-39300-0200-071000).
6. To consider **any other business** to come before the Agency.



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
February 12, 2019
Meeting Minutes

1. Call the meeting of the Town of Islip Industrial Development Agency to order on a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman James P. O'Connor

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 February 12, 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 **January 15, 2019**. On a motion by Councilman John C. Cochrane Jr. and seconded by Councilwoman Mary Kate Mullen said motion was approved 5-0.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **46 Windsor, LLC**. Located at 46 & 48 Windsor Pl, Central Islip. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilwoman Mary Kate Mullen, said motion was approved 5-0.
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. On a motion by Councilman John C. Cochrane Jr. and seconded by Councilman James P. O'Connor said motion was approved 5-0.
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. On a motion by Councilwoman Mary Kate Mullen and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved 5-0.
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. On a motion by Councilman John C. Cochrane Jr. and seconded by Councilman James P. O'Connor said motion was approved 5-0.

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. On a motion by Councilwoman Mary Kate Mullen and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved 5-0.
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. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman James P. O'Connor said motion was approved 5-0.
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. On a motion by Councilman James P. O'Connor and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved 5-0.
10. To consider **any other business** to come before the Agency. On a motion by Councilman James P. O'Connor and seconded by Councilwoman Mary Kate Mullen said motion was approved 5-0.

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR MARCH 19, 2019

AGENDA ITEM #3

TYPE OF RESOLUTION: RESOLUTION AUTHORIZING A
TENANT AGREEMENT

COMPANY: SUNRISE BUSINESS CENTER/VERIZON
WIRELESS AS TENANT

PROJECT LOCATION: 3500 SUNRISE HIGHWAY, GREAT
RIVER

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

INVESTMENT: \$ N/A

Date: March 19, 2019

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”) held on the 19th day of March, 2019, at 40 Nassau Avenue, Islip, New York 11751, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the consent to the subleasing of a portion of the Sunrise Business Center 2012 Facility and approving the execution and delivery of related documents.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY PERTAINING TO THE
CONSENT TO THE SUBLEASING OF A PORTION OF THE
SUNRISE BUSINESS CENTER 2012 FACILITY AND
APPROVING THE FORM, SUBSTANCE, EXECUTION AND
DELIVERY OF RELATED DOCUMENTS.

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

WHEREAS, AG-Metropolitan Sunrise, L.L.C., a limited liability company duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of New York, having an office at 245 Park Avenue, New York, New York 10167 (the “**Original Company**”), has previously entered into a transaction with the Agency in which the Agency assisted in the acquisition, renovation and equipping of an approximately 41 acre parcel of land (the “**Land**”) with an existing approximately 340,000 aggregate square foot three story building (the “**Building**”) currently known as the Long Island Business and Technology Center located at 3500 Sunrise Highway, Great River, Town of Islip, New York (more specifically described as District 0500, Section 211.00, Block 1 and Lots 005 and 006) and the renovation and equipping of the building to make the Building state-of-the-art in order to provide incentives towards full occupancy by various lessees of the Building (the “**Facility**”); and

WHEREAS, the Agency leased the Facility to the Original Company pursuant to a certain Lease Agreement, dated as of January 1, 2007, amended by an Amendment to Lease Agreement, dated April 20, 2009 (collectively, the “**Lease Agreement**”), by and between the Agency, as lessor, and the Company, as lessee; and

WHEREAS, the Original Company, Feil 3500 Sunrise Associates LLC and Feil Business Center Associates LLC, each a Delaware limited liability company, as tenants-in common, each having its principal office at c/o The Feil Organization, 7 Penn Plaza, Suite 618, New York, New York 10001 (collectively, the “**Company**” and each an “**Assignee**”) previously requested that the Agency consent to the assignment of the Original Company’s leasehold interest in the Facility to the Company (as tenants in common with Feil 3500 Sunrise Associates LLC having an undivided 45.29% interest and Feil Business Center Associates LLC having an undivided 54.71% interest), and the assumption, on a joint and several basis, of Assignor’s leasehold interest in the Facility by the Company; and

WHEREAS, the Agency consented to the assignment of Original Company’s leasehold interest in the Facility to the Company, pursuant to a certain Assignment, Assumption and Amendment Agreement, dated as of November 1, 2012 (the “**Assignment,**

Assumption and Amendment Agreement”), by and among the Agency, the Assignor and the Assignees; and

WHEREAS, the Company entered into negotiations with New York SMSA Limited Partnership d/b/a Verizon Wireless (the “**Tenant**”), to sublease a portion of the rooftop of the 300 Building of the Facility and certain other space within the building (the “**Demised Premises**”), pursuant to a Building and Rooftop Lease Agreement, dated a date to be determined (the “**Verizon Lease**”), for a term of five (5) years, with three (3) automatic additional five (5) year terms, for the installation, operation and maintenance of communication equipment and rooftop antennas by the Tenant; and

WHEREAS, the Company has requested that the Agency consent to the Verizon Lease between the Company and the Tenant; and

WHEREAS, the Facility may not be subleased, in whole or in part, without the prior written consent of the Agency; and

WHEREAS, such consent may be manifested by the execution and delivery of a Tenant Agency Compliance Agreement, to be dated a date to be determined, between the Agency and the Tenant (the “**Tenant Agency Compliance Agreement**”); and

WHEREAS, in connection therewith, the Agency will enter into a Recognition and Attornment Agreement, dated a date to be determined, among the Agency, the Company and the Tenant (the “**Recognition Agreement**”); and

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

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

Section 1. The Agency hereby finds and determines:

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

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

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

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

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

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

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

Section 4.

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

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

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

Section 6. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 19th day of March, 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 19th day of March, 2019.

By _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR MARCH 19, 2019

AGENDA ITEM #4

TYPE OF RESOLUTION: RESOLUTION AUTHORIZING
REFINANCING

COMPANY: BAY SHORE MAIN & 4TH, LLC FACILITY

PROJECT LOCATION: 1-19 & 21-27 EAST MAIN
STREET, BAY SHORE

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

INVESTMENT: \$N/A

Date: March 19, 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 19th day of March, 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 a proposed mortgage financing and the execution of related loan documents in connection with a certain industrial development facility more particularly described below (Bay Shore Main & 4th LLC 2017 Facility) and approving the execution and delivery of related documents.

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

Voting Aye

Voting Nay

RATIFYING AND CONFIRMING RESOLUTION OF THE TOWN
OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
AUTHORIZING MORTGAGE FINANCING AND THE
EXECUTION AND DELIVERY OF LOAN DOCUMENTS IN
CONNECTION THEREWITH FOR THE BAY SHORE MAIN &
4TH LLC 2017 FACILITY AND APPROVING THE FORM,
SUBSTANCE, EXECUTION AND DELIVERY OF SUCH
RELATED DOCUMENTS

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

WHEREAS, the Agency previously assisted Bay Shore Main & 4th LLC, a New York limited liability company (the “**Company**”), in connection with the acquisition of an approximately 1.573 acre parcel of land located at 1-19 and 21-27 East Main Street, Bay Shore, New York 11706 (the “**Land**”), the renovation of two (2) existing buildings, totaling approximately 68,500 square feet located thereon, together with the acquisition, installation and equipping of improvements, structures and other related facilities attached to the Land (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 is leased by the Agency to the Company, and used by the Company as a mixed-use facility to be subleased to various residential and commercial tenants (the “**Project**”); and

WHEREAS, the Agency is leasing the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of October 1, 2017 (the “**Lease Agreement**”), by and between the Agency, as lessor and the Company, as lessee, and a Memorandum of Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, pursuant to that certain Authorizing Resolution of the Agency adopted on August 22, 2017 (the “**Authorizing Resolution**”), the Agency authorized the provision of financial assistance to the Company in the form of exemptions from mortgage recording taxes for one or more mortgages securing the principal amount not to exceed \$21,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility; and

WHEREAS, the Agency wishes to ratify and confirm the Authorizing Resolution; and

WHEREAS, the Company and the Agency previously mortgaged their respective interests in the Facility to KeyBank National Association (the “**Original Lender**”), pursuant to: (i) a certain Fee and Leasehold Mortgage, Assignment of Leases and Rents, Assignment of Contracts, Security Agreement and Fixture Filing, dated as of October 30, 2017 (the “**Leasehold Mortgage**”), securing the principal amount of \$1,582,853.01, (ii) a certain Fee and Leasehold Construction Loan Mortgage, Assignment of Leases and Rents, Assignment of Contracts,

Security Agreement and Fixture Filing, dated as of October 30, 2017 (the “**Construction Loan Mortgage**”), securing the principal amount of \$4,878,383.02, and (iii) a certain Fee and Leasehold Project Loan Mortgage, Assignment of Leases and Rents, Assignment of Contracts, Security Agreement and Fixture Filing, dated as of October 30, 2017 (the “**Project Loan Mortgage**”; and together with the Leasehold Mortgage and the Construction Loan Mortgage, the “**2017 Mortgage**”), securing the principal amount of \$1,038,803.97, for an aggregate principal amount of 7,500,000.00; and

WHEREAS, the Company has now requested that the Agency consent to enter into a financing and refinancing of the Facility with ORIX RE Holdings, LLC or such other lender or lenders as may be determined (the “**Lender**”), in the aggregate principal amount presently estimated to be \$13,000,000, but not to exceed \$21,000,000 (the “**Loan**”); and

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

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes, to the extent allowed by law, for one or more mortgages securing the principal amount presently estimated to be \$13,000,000 but not to exceed \$21,000,000, in connection with the financing or refinancing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility; and

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

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

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

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act.
- (b) The Facility continues to constitute a “project”, as such term is defined in the Act.

- (c) The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Islip.
- (d) The financing or refinancing of the acquisition, renovation and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Islip, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.
- (e) The financing or refinancing of the acquisition, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (f) Based upon representations of the Company and counsel to the Company, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Islip and all regional and local land use plans for the area in which the Facility is located.
- (g) It is desirable and in the public interest for the Agency to assist in the financing or refinancing of the acquisition, construction and equipping of the Facility.
- (h) The Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency's Unassigned Rights as defined therein).

Section 2.

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

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the Loan Documents and Mortgage, and such other related documents as may be necessary or appropriate to effect the Loan, or any subsequent refinancing of the Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 4. Subject to the provisions of this resolution and the Lease Agreement, the Agency hereby re-authorizes and re-approves the following economic benefits to be granted to the Company in the form of exemptions from mortgage recording taxes, to the extent allowed by law, for one or more mortgages securing the principal amount presently estimated to be \$13,000,000 but not to exceed \$21,000,000, in connection with the financing or refinancing of

the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility.

Section 5.

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

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

Section 6. Subject to the provisions of this resolution and the Lease Agreement, the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 7. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. The Company has agreed to pay such expenses and further shall agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the financing or refinancing of 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 annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the "**Agency**"), including the resolutions contained therein, held on March 19, 2019 copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings is in substantially the form presented to the Agency and/or approved by said meeting.

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 19th day of March, 2019.

By: _____
Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR MARCH 19, 2019

AGENDA ITEM #4

TYPE OF RESOLUTION: RESOLUTION AUTHORIZING
REFINANCING

COMPANY: BAY SHORE MAIN & 4TH, LLC FACILITY

PROJECT LOCATION: 1-19 & 21-27 EAST MAIN
STREET, BAY SHORE

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

INVESTMENT: \$N/A

Date: March 19, 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 19th day of March, 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 a proposed mortgage financing and the execution of related loan documents in connection with a certain industrial development facility more particularly described below (Bay Shore Main & 4th LLC 2017 Facility) and approving the execution and delivery of related documents.

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

Voting Aye

Voting Nay

RATIFYING AND CONFIRMING RESOLUTION OF THE TOWN
OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
AUTHORIZING MORTGAGE FINANCING AND THE
EXECUTION AND DELIVERY OF LOAN DOCUMENTS IN
CONNECTION THEREWITH FOR THE BAY SHORE MAIN &
4TH LLC 2017 FACILITY AND APPROVING THE FORM,
SUBSTANCE, EXECUTION AND DELIVERY OF SUCH
RELATED DOCUMENTS

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

WHEREAS, the Agency previously assisted Bay Shore Main & 4th LLC, a New York limited liability company (the “**Company**”), in connection with the acquisition of an approximately 1.573 acre parcel of land located at 1-19 and 21-27 East Main Street, Bay Shore, New York 11706 (the “**Land**”), the renovation of two (2) existing buildings, totaling approximately 68,500 square feet located thereon, together with the acquisition, installation and equipping of improvements, structures and other related facilities attached to the Land (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 is leased by the Agency to the Company, and used by the Company as a mixed-use facility to be subleased to various residential and commercial tenants (the “**Project**”); and

WHEREAS, the Agency is leasing the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of October 1, 2017 (the “**Lease Agreement**”), by and between the Agency, as lessor and the Company, as lessee, and a Memorandum of Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, pursuant to that certain Authorizing Resolution of the Agency adopted on August 22, 2017 (the “**Authorizing Resolution**”), the Agency authorized the provision of financial assistance to the Company in the form of exemptions from mortgage recording taxes for one or more mortgages securing the principal amount not to exceed \$21,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility; and

WHEREAS, the Agency wishes to ratify and confirm the Authorizing Resolution; and

WHEREAS, the Company and the Agency previously mortgaged their respective interests in the Facility to KeyBank National Association (the “**Original Lender**”), pursuant to: (i) a certain Fee and Leasehold Mortgage, Assignment of Leases and Rents, Assignment of Contracts, Security Agreement and Fixture Filing, dated as of October 30, 2017 (the “**Leasehold Mortgage**”), securing the principal amount of \$1,582,853.01, (ii) a certain Fee and Leasehold Construction Loan Mortgage, Assignment of Leases and Rents, Assignment of Contracts,

Security Agreement and Fixture Filing, dated as of October 30, 2017 (the “**Construction Loan Mortgage**”), securing the principal amount of \$4,878,383.02, and (iii) a certain Fee and Leasehold Project Loan Mortgage, Assignment of Leases and Rents, Assignment of Contracts, Security Agreement and Fixture Filing, dated as of October 30, 2017 (the “**Project Loan Mortgage**”; and together with the Leasehold Mortgage and the Construction Loan Mortgage, the “**2017 Mortgage**”), securing the principal amount of \$1,038,803.97, for an aggregate principal amount of 7,500,000.00; and

WHEREAS, the Company has now requested that the Agency consent to enter into a financing and refinancing of the Facility with ORIX RE Holdings, LLC or such other lender or lenders a may be determined (the “**Lender**”), in the aggregate principal amount presently estimated to be \$13,000,000, but not to exceed \$21,000,000 (the “**Loan**”); and

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

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes, to the extent allowed by law, for one or more mortgages securing the principal amount presently estimated to be \$13,000,000 but not to exceed \$21,000,000, in connection with the financing or refinancing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility; and

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

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

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

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act.
- (b) The Facility continues to constitute a “project”, as such term is defined in the Act.

- (c) The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Islip.
- (d) The financing or refinancing of the acquisition, renovation and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Islip, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.
- (e) The financing or refinancing of the acquisition, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (f) Based upon representations of the Company and counsel to the Company, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Islip and all regional and local land use plans for the area in which the Facility is located.
- (g) It is desirable and in the public interest for the Agency to assist in the financing or refinancing of the acquisition, construction and equipping of the Facility.
- (h) The Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency's Unassigned Rights as defined therein).

Section 2.

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

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the Loan Documents and Mortgage, and such other related documents as may be necessary or appropriate to effect the Loan, or any subsequent refinancing of the Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 4. Subject to the provisions of this resolution and the Lease Agreement, the Agency hereby re-authorizes and re-approves the following economic benefits to be granted to the Company in the form of exemptions from mortgage recording taxes, to the extent allowed by law, for one or more mortgages securing the principal amount presently estimated to be \$13,000,000 but not to exceed \$21,000,000, in connection with the financing or refinancing of

the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility.

Section 5.

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

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

Section 6. Subject to the provisions of this resolution and the Lease Agreement, the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 7. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. The Company has agreed to pay such expenses and further shall agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the financing or refinancing of 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 annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on March 19, 2019 copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings is in substantially the form presented to the Agency and/or approved by said meeting.

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 19th day of March, 2019.

By: _____
Assistant Secretary

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR MARCH 19, 2019**

AGENDA ITEM #5

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: BAY PARK HOLDINGS, LLC

PROJECT LOCATION: N/A

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

INVESTMENT: \$30,369,165.00

Date: March 19, 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 19th day of March, 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 a leasehold interest in and title to a certain industrial development facility more particularly described below (Bay Park Holdings, LLC 2019 Facility) and the leasing of the facility to Bay Park Holdings, LLC.

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
APPOINTMENT OF BAY PARK HOLDINGS, LLC, A NEW
YORK LIMITED LIABILITY COMPANY, ON BEHALF OF
ITSELF AND/OR THE PRINCIPALS OF BAY PARK
HOLDINGS, LLC AND/OR AN ENTITY FORMED OR TO BE
FORMED ON BEHALF OF ANY OF THE FOREGOING AS
AGENT OF THE AGENCY FOR THE PURPOSE OF
ACQUIRING, CONSTRUCTING AND EQUIPPING THE
FACILITY, APPROVING THE ACQUISITION,
CONSTRUCTION AND EQUIPPING OF SUCH INDUSTRIAL
DEVELOPMENT FACILITY AND MAKING CERTAIN
FINDINGS AND DETERMINATIONS WITH RESPECT TO
THE FACILITY AND APPROVING THE FORM, SUBSTANCE
AND EXECUTION OF RELATED DOCUMENTS

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

WHEREAS, Bay Park Holdings, LLC, a New York limited liability company, on behalf of itself and/or the principals of Bay Park Holdings, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Agency for assistance in connection with acquisition of an approximately 1.17 acre parcel of land located at 28 Park Avenue, Bay Shore, New York; 32 Park Avenue, Bay Shore, New York; and 34 Park Avenue, Bay Shore, New York (collectively, the “**Land**”), and the demolition of an existing approximately 10,713 square foot building and the construction of an approximately 86,168 square foot located thereon, including a four (4) story building containing approximately seventy-five (75) units of affordable senior housing and an approximately 8,000 square foot community center, which community center may, upon completion, be condominiumized and transferred to a not-for-profit corporation and released from the Project (the “**Improvements**”) including, but not limited to, a sprinkler system, HVAC, electrical equipment, plumbing, and elevators (the “**Equipment**”; and, together with the Land and the Improvements, the “**Facility**”), all to be leased by the Agency to, and used by the Company for residential rental units for seniors ages 55 and over with units affordable to households at or below fifty percent (50%), sixty percent (60%), and eighty-five percent (85%) of area median income, as well as a community center (the “**Project**”); and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of March 1, 2019, or such other date as the Chairman, the Executive Director, or the Deputy Executive Director of the Agency and counsel to the Agency shall agree (the “**Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the “**Bill of Sale**”), from the Company to the Agency; and

WHEREAS, the Agency will sublease and lease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of March 1, 2019, or such other date as the Chairman, the Executive Director, or the Deputy Executive Director of the Agency and counsel to the Agency shall agree (the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in the form of: (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$25,800,000 but not to exceed \$35,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating, redeveloping and equipping the Facility, (ii) exemptions from sales and use taxes in an approximate amount not to exceed \$1,132,128, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof); 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, as security for a loan or loans, the Agency and the Company will execute and deliver to a lender or lenders not yet determined (collectively, the “**Lender**”), a mortgage or mortgages, and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required by the Lender, to be dated a date to be determined, in connection with the financing, any refinancing or permanent financing of the costs of the acquisition, construction and equipping of the Facility (collectively, the “**Loan Documents**”); and

WHEREAS, a public hearing (the “**Hearing**”) was held on March 18, 2019 and notice of the Hearing was given and such notice (together with proof of publication) together with the minutes of the Hearing are in substantially in the form annexed hereto as Exhibits A and B respectively; and

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

WHEREAS, the Agency required the Company to provide to the Agency a feasibility report (the “**Feasibility Study**”), together with letters from interested parties (the “**Letter of Support**”) (the Feasibility Study and the Letters of Support are collectively, the “**Requisite Materials**”) to enable the Agency to make findings and determinations that the Facility

qualifies as a “project” under the Act and that the Facility satisfies all other requirements of the Act, and such Requisite Materials are listed below and attached as Exhibit D hereof:

1. National Development Council Report of Bay Shore Senior Residences, dated February 1, 2019, by National Development Council;
2. Letter from Andrew R. Garbarino, New York State Assembly 7th District, dated December 13, 2018;
3. Letter from Donna deLuca Periconi, President of Bay Shore Chamber of Commerce, dated January 3, 2019;
4. Letter from Steven J. Flotteron, Suffolk County Legislator, dated December 11, 2018
5. Letter from Mary Louise Cohen, President of Bay Shore – Brightwaters Summit Council, dated December 11, 2018;
6. New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.; and
7. Ryan et al. v. Town of Hempstead Industrial Development Agency et al.; and

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

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

Section 1. In connection with the acquisition, construction and equipping of the Facility the Agency hereby makes the following determinations and findings based upon the Agency’s review of the information provided by the Company with respect to the Facility, including, the Company’s Application, the Requisite Materials and other public information:

(a) There is a lack of affordable, safe, clean and modern housing in the Town of Islip;

(b) Such lack of housing has resulted in individuals leaving the Town of Islip and therefore adversely affecting employers, businesses, retailers, banks, financial institutions, insurance companies, health and legal services providers and other merchants in the Town of Islip and otherwise adversely impacting the economic health and well-being of the residents of the Town of Islip, employers, and the tax base of the Town of Islip;

(c) The Facility, by providing such housing will enable persons to remain in the Town of Islip and thereby to support the businesses, retailers, banks, and other financial institutions, insurance companies, health care and legal services providers and other merchants in the Town of Islip which will increase the economic health and well- being of

the residents of the Town of Islip, help preserve and increase permanent private sector jobs in furtherance of the Agency's public purposes as set forth in the Act, and therefore the Agency finds and determines that the Facility is a commercial project within the meaning of Section 854(4) of the Act;

(d) The Facility will provide services, i.e., housing, which but for the Facility, would not otherwise be reasonably accessible to the residents of the Town of Islip.

Section 2. The Agency hereby finds and determines:

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

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

(c) The acquisition, construction and equipping of the Facility and the leasing of the Facility to the Company, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of 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) The acquisition, construction and equipping of the Facility 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 counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County, 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 lease the Facility to the Company; and

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

(h) The Lease Agreement will be an effective instrument whereby the Agency leases the Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company; and

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

Section 3. The Agency has assessed all material information included in connection with the Company's application for financial assistance, including but not limited to, the cost-benefit analysis prepared by the Agency and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company.

Section 4. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) lease and sublease the Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) grant a mortgage on and security interest in and to the Facility pursuant to the Loan Documents, and (vi) execute, deliver and perform the Loan Documents to which the Agency is a party.

Section 5. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, construction and equipping of the Facility in the form of: (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$25,800,000 but not to exceed \$35,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating, redeveloping and equipping the Facility, (ii) exemptions from sales and use taxes in an approximate amount not to exceed \$1,132,128, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof.

Section 7. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, construct and equip the Facility. The Company is hereby empowered to delegate its status as agent of the Agency to its agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company may choose in order to acquire, construct and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agent of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the Facility. This agency appointment expressly excludes the purchase by the Company of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The Company shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen,

vendors and/or suppliers and the Company, as agent of the Agency. The aforesaid appointment of the Company as agent of the Agency to acquire, construct and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company has received exemptions from sales and use taxes in an amount not to exceed \$1,132,128 in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time. The aforesaid appointment of the Company is subject to the completion of the transaction and the execution of the documents contemplated by this resolution.

Section 8. The Company shall agree to comply with Section 875 of the Act. The Company shall further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the recapture provisions of the Lease Agreement.

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

Section 10.

(a) The Chairman, the Executive Director, or the Deputy Executive Director of the Agency or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease, the Lease Agreement and the Loan Documents to which the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, the Executive Director, or the Deputy Executive Director of the Agency 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, the Executive Director, or the Deputy Executive Director of the Agency or any member of the Agency shall constitute conclusive evidence of such approval.

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

Section 11. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the

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

Section 12. Any expenses incurred by the Agency with respect to the Facility shall be paid by the Company. The Company has agreed to pay such expenses and further shall agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

Section 13. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 20th day of March, 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 20th day of March, 2019.

By: _____
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 18th day of March, 2019, at 9:30 a.m., local time, at the Town of Islip, Offices of Economic Development, 40 Nassau Avenue, Islip, New York 11751 in connection with the following matters:

Bay Park Holdings, LLC, a New York limited liability company, on behalf of itself and/or the principals of Bay Park Holdings, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has submitted its application, for financial assistance (the “**Application**”) 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 1.17 acre parcel of land located at 28 Park Avenue, Bay Shore, New York; 32 Park Avenue, Bay Shore, New York; and 34 Park Avenue, Bay Shore, New York (collectively, the “**Land**”), and the demolition of an existing approximately 10,713 square foot building and the construction of an approximately 86,168 square foot located thereon, including a four (4) story building containing approximately seventy-five (75) units of affordable senior housing and an approximately 8,000 square foot community center, which community center may, upon completion, be condominiumized and transferred to a not-for-profit corporation and released from the Project (the “**Improvements**”) including, but not limited to, a sprinkler system, HVAC, electrical equipment, plumbing, and elevators (the “**Equipment**”; and, together with the Land and the Improvements, the “**Facility**”), all to be leased by the Agency to, and used by the Company for residential rental units for seniors ages 55 and over with units affordable to households at or below fifty percent (50%), sixty percent (60%), and eighty-five percent (85%) of area median income, as well as a community center (the “**Project**”). The Facility will be initially owned, operated and/or managed by the Company.

The Agency will acquire a leasehold interest in the Land and the Improvements and title to the Equipment and will lease and sublease the Facility to the Company. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes and sales and use taxes and abatement of real property taxes on the Facility, all consistent with the policies of the Agency.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the 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: March 7, 2019

TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY

By: William G. Mannix
Title: Executive Director

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
MARCH 18, 2019

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
(BAY PARK HOLDINGS, LLC 2019 FACILITY)

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

Section 2. _____ then appointed _____ 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:

Bay Park Holdings, LLC, a New York limited liability company, on behalf of itself and/or the principals of Bay Park Holdings, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has submitted its application, for financial assistance (the “**Application**”) 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 1.17 acre parcel of land located at 28 Park Avenue, Bay Shore, New York; 32 Park Avenue, Bay Shore, New York; and 34 Park Avenue, Bay Shore, New York (collectively, the “**Land**”), and the demolition of an existing approximately 10,713 square foot building and the construction of an approximately 86,168 square foot located thereon, including a four (4) story building containing approximately seventy-five (75) units of affordable senior housing and an approximately 8,000 square foot community center, which community center may, upon completion, be condominiumized and transferred to a not-for-profit corporation and released from the Project (the “**Improvements**”) including, but not limited to, a sprinkler system, HVAC, electrical equipment, plumbing, and elevators (the “**Equipment**”; and, together with the Land and the Improvements, the “**Facility**”), all to be leased by the Agency to, and used by the Company for residential rental units for seniors ages 55 and over with units affordable to households at or below fifty percent (50%), sixty percent (60%), and eighty-five percent (85%) of area median income, as well as a community center (the “**Project**”). The Facility will be initially owned, operated and/or managed by the Company

The Agency will acquire a leasehold interest in the Land and the Improvements and title to the Equipment and lease the Facility to 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 _____a.m./p.m.

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 March 18, 2019, at 9:30 a.m., local time, at Town of Islip, Offices of Economic Development, 40 Nassau Avenue, Islip, New York 11751, 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 March 18, 2019.

Assistant Secretary

EXHIBIT C

Proposed PILOT Schedule

Schedule of payments-in-lieu-of-taxes: Town of Islip (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Bay Shore School District, Suffolk County and Appropriate Special Districts

<u>Tax Year</u>	<u>PILOT Payment Amount</u>
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EXHIBIT C

Proposed PILOT Schedule

Schedule of payments-in-lieu-of-taxes: Town of Islip (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Bay Shore School District, Suffolk County and Appropriate Special Districts

Bay Park Holdings (28, 32, and 34 Park Ave., Bay Shore, NY 11706)

Formula: \$75,000 per year for two construction years followed by a 15-year PILOT starting at \$1200 per rental unit with 2% annual increases.

<u>Year</u>	<u>\$ per Unit</u>	<u>PILOT (based on 75 rental units)</u>
1	\$1200	\$90,000
2	\$1224	\$91,800
3	\$1248	\$93,600
4	\$1273	\$95,475
5	\$1299	\$97,425
6	\$1325	\$99,375
7	\$1351	\$101,325
8	\$1378	\$103,350
9	\$1406	\$105,450
10	\$1434	\$107,550
11	\$1463	\$109,725
12	\$1492	\$111,900
13	\$1522	\$114,150
14	\$1552	\$116,400
15	\$1583	\$118,725

EXHIBIT D

Requisite Materials

1. National Development Council Report of Bay Shore Senior Residences, dated February 1, 2019, by National Development Council;
2. Letter from Andrew R. Garbarino, New York State Assembly 7th District, dated December 13, 2018;
3. Letter from Donna deLuca Periconi, President of Bay Shore Chamber of Commerce, dated January 3, 2019;
4. Letter from Steven J. Flotteron, Suffolk County Legislator, dated December 11, 2018;
5. Letter from Mary Louise Cohen, President of Bay Shore – Brightwaters Summit Council, dated December 11, 2018;
6. New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.; and
7. Ryan et al. v. Town of Hempstead Industrial Development Agency et al.

EXHIBIT D-1

National Development Council Report of Bay Shore Senior Residences, dated
February 1, 2019, by National Development Council

EXHIBIT D-2

Letter from Andrew R. Garbarino, New York State Assembly 7th District, dated December 13, 2018

EXHIBIT D-3

Letter from Donna deLuca Periconi, President of Bay Shore Chamber of Commerce,
dated January 3, 2019

EXHIBIT D-4

Letter from Steven J. Flotteron, Suffolk County Legislator, dated December 11, 2018

EXHIBIT D-5

Letter from Mary Louise Cohen, President of Bay Shore – Brightwaters Summit Council,
dated December 11, 2018

EXHIBIT D-6

New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.

Ryan et al. v. Town of Hempstead Industrial Development Agency et al