



MEETING OF THE TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY

July 21, 2020

Agenda

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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 **June 16, 2020**.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Lynest Associates, LLC/Max Finklestein, Inc.** Located at 195 13<sup>th</sup> Avenue, Ronkonkoma.
4. To consider the adoption of an Authorizing Resolution between of the Town of Islip Industrial Development Agency and **Wrap-N-Pack**
5. To consider the adoption of an Authorizing Resolution between of the Town of Islip Industrial Development Agency and **Gullhaven Commons**
6. To consider the adoption of an Authorizing Resolution between of the Town of Islip Industrial Development Agency and **Greenview Commons**
7. To consider that adoption of an Authorizing Resolution for a tenant consent between the Town of Islip Industrial Development Agency and **Hilo Equipment Services, LLC/Alta Industrial**. Located at 845 South First Street, Ronkonkoma.
8. To consider the adoption of a resolution for Authorizing Refinancing for **Freckle Face Realty, LLC/Kelco Construction, Inc.** Located at 25 Newton Place, Hauppauge.
9. To consider the adoption of a corrected PILOT Schedule and the Commencement date in connection with the **Alphamed Realty, LLC 2020 Facility**. Located South Technology Drive, Central Islip. (Tax Map No. 0500-207-00.00-001000).
10. To consider **any other business** to come before the Agency.



## MEETING OF THE TOWN OF ISLIP

### INDUSTRIAL DEVELOPMENT AGENCY

June 16, 2020

#### Meeting Minutes

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1. Call the meeting of the Town of Islip Industrial Development Agency to order. On a motion by Councilwoman Trish Bergin Weichbrodt, seconded by Councilman John C. Cochrane Jr. Said motion was approved 5-0.
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 **May 12, 2020**. On a motion by Councilman James P. O'Connor, seconded by Councilwoman Trish Bergin Weichbrodt. Said motion was approved 5-0.
3. To consider a Resolution on behalf of the Town of Islip Industrial Development Agency to adopt a policy **prohibiting extensions** of credit or loans to Members of the Agency's Board and the Agency's officers and employees in compliance with the Public Authority Accountability Act ("PAAA"). On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman John C. Cochrane Jr. Said motion was approved 5-0.
4. To consider an Inducement Resolution between the Town of Islip Industrial Development Agency and **Greenview Commons West** (with Exhibits). Located at the south side of 4180 Sunrise Hwy, Oakdale. (SCTM# 0500-302.00-02.00-003.000). On a motion by Councilman James P. O'Connor and seconded by Councilman John C. Cochrane Jr. Councilwoman Trish Bergin Weichbrodt recused herself. Motion was approved 4-0.
5. To consider an Inducement Resolution between the Town of Islip Industrial Development Agency and **Gull Haven Commons, LLC**. Located at Gull Haven Road, Central Islip (0500-165-1300-001000). On a motion by Councilwoman Mary Kate Mullen and seconded by Councilman John C. Cochrane Jr. Said motion was approved 5-0.
6. To consider an Inducement Resolution between the Town of Islip Industrial Development Agency and **WRAP-N-PACK, INC.** Located at 120 Wilshire Blvd, Brentwood. (0500-11200-0300-01020). On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman James P. O'Connor. Said motion was approved 5-0.
7. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **DuroDyne National Corp/DuroDyne Spence, LLC**. Located at 81 Spence Street, Bay Shore. (0500-20000-0200-063001). On a motion by Councilman John C. Cochrane Jr., seconded by Councilwoman Mary Kate Mullen. Said motion was approved 5-0.

8. To consider the adoption of an Authorizing Resolution between the Town of Islip and **ISP Central District, LLC**. Located at Central Ave, Islip. (0500-03900-0200-014002). On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman John C. Cochrane Jr. Said motion was approved 5-0.
9. To consider **any other business** to come before the Agency. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilwoman Mary Kate Mullen. Said was motion was approved 5-0.

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR JULY 21, 2020

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**AGENDA ITEM #3**

**TYPE OF RESOLUTION:** INDUCEMENT RESOLUTION

**COMPANY:** Lynest Associates, LLC/Max Finklestein,  
Inc.

**PROJECT LOCATION:** 195 13<sup>TH</sup> AVENUE, HAUPPAUGE

**JOBS (RETAINED/CREATED):** RETAINED - 27 -  
CREATE - 02 -

**INVESTMENT:** \$11,000,000



RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING LYNEST ASSOCIATES, LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF LYNEST ASSOCIATES, LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND MAX FINKELSTEIN, INC., A DELAWARE BUSINESS CORPORATION ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF MAX FINKELSTEIN, INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING, AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, DEMOLISHING, CONSTRUCTING, RENOVATING AND EQUIPPING THE FACILITY AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY

WHEREAS, Lynest Associates, 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 Lynest Associates, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) and Max Finkelstein, Inc., a business corporation organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Max Finkelstein, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), have applied to the Town of Islip Industrial Development Agency (the “**Agency**”), to enter into a transaction in which the Agency will assist in the acquisition of an approximately 8.07 acre parcel of land located at 195 13<sup>th</sup> Avenue, Ronkonkoma 11779 (the “**Land**”), (i) the partial demolition of an existing approximately 102,674 square foot building located thereon to reduce its size to approximately 66,987 square feet (the “**Existing Building**”), and (ii) the construction of an approximately 54,043 square foot building to be located on the Land (the “**New Building**”; and, together with the Existing Building, the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and together with the Land and the Improvements, the “**Company Facility**”), which Company Facility is to be leased by the Agency to the Company and the Existing Building will be subleased by the Company to a tenant or tenants not yet determined (the “**Tenant**”) and the New Building will be subleased by the Company to the Sublessee; and (b) the acquisition and installation of certain equipment and personal property (the “**Equipment**”; and together with the Company Facility, the “**Facility**”), which Equipment is to be leased by the Agency to the Sublessee and which New Building is to be used by the Sublessee for warehousing and distribution in its business of a distributor of tires (the “**Project**”); and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Facility Equipment and Equipment, will sublease and lease the Company Facility to the Company for further sublease of the Existing Building to the Tenant and the New Building to the Sublessee and will lease the Equipment to the Sublessee, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and

Chapter 47 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee in connection with the Facility, consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes and abatement of real property taxes, all to be more particularly described in a Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

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

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

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

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

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

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

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

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

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

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

WHEREAS, the Questionnaire has been reviewed by the Agency.

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

Section 1. Based upon the Environmental Assessment Form completed by the Company and the Sublessee and reviewed by the Agency and other representations and information furnished by the Company and the Sublessee regarding the Facility, the Agency determines that the action relating to the acquisition, demolition, construction, renovation, equipping, and operation of the Facility is an “unlisted” action, as that term is defined in the SEQRA 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 SEQRA. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQRA or as may be deemed advisable by the Chairman or Executive Director of the Agency or counsel to the Agency.

Section 2. The acquisition, demolition, construction, renovation and equipping of the Facility by the Agency, the subleasing and leasing of the Company Facility to the Company for further subleasing to the Sublessee, the leasing of the Equipment to the Sublessee and the provision of financial assistance pursuant to the Act will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Islip and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act, and the same is, therefore, approved.

Section 3. Subject to the provisions of this resolution, the Agency shall (i) acquire, demolish, construct, renovate and equip the Facility; (ii) lease and sublease the Company Facility to the Company; and (iii) lease the Equipment to the Sublessee.

Section 4. The Company and the Sublessee are hereby notified that they will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease and Project Agreement, dated a date to be determined (the “**Lease Agreement**”), by and between the Company and the Agency. The Sublessee shall be required to agree to the terms of Section 875 pursuant to the Agency Compliance Agreement, dated a date to be determined (the “**Agency Compliance Agreement**”), by and between the Sublessee and the Agency. The Company and the Sublessee are further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company and the Sublessee as agents of the Agency pursuant to this resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement and the Agency Compliance Agreement.

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

Section 7. Any expenses incurred by the Agency with respect to the Facility, including the expenses of Transaction Counsel, shall be paid by the Company and the Sublessee. The Company and the Sublessee agree to pay such expenses and further agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

Section 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 Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, on the 21st day of July, 2020, the following members of the Agency 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency's Board Meeting on July 21, 2020 (the "**Board Meeting**"), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency's website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency's website, and that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

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

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Assistant Secretary

## EXHIBIT A

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### **NOTICE OF PUBLIC HEARING**

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**NOTICE IS HEREBY GIVEN** that due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Public Hearing scheduled for June \_\_, 2020, at \_\_:\_\_ a.m., local time will be held by the Town of Islip Industrial Development Agency electronically via conference call in connection with the following matters:

Lynest Associates, 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 Lynest Associates, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**") and Max Finkelstein, Inc., a business corporation organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Max Finkelstein, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Sublessee**"), have applied to the Town of Islip Industrial Development Agency (the "**Agency**"), to enter into a transaction in which the Agency will assist in the acquisition of an approximately 8.07 acre parcel of land located at 195 13<sup>th</sup> Avenue, Ronkonkoma 11779 (the "**Land**"), (i) the partial demolition of an existing approximately 102,674 square foot building located thereon to reduce its size to approximately 66,987 square feet (the "**Existing Building**"), and (ii) the construction of an approximately 54,043 square foot building to be located on the Land (the "**New Building**"; and, together with the Existing Building, the "**Improvements**"), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the "**Facility Equipment**"; and together with the Land and the Improvements, the "**Company Facility**"), which Company Facility is to be leased by the Agency to the Company and the Existing Building will be subleased by the Company to a tenant or tenants not yet determined (the "**Tenant**") and the New Building will be subleased by the Company to the Sublessee; and (b) the acquisition and installation of certain equipment and personal property (the "**Equipment**"; and together with the Company Facility, the "**Facility**"), which Equipment is to be leased by the Agency to the Sublessee and which New Building is to be used by the Sublessee for warehousing and distribution in its business of a distributor of tires (the "**Project**"). The Company Facility will be owned by the Company and managed and/or operated by the Sublessee. The Equipment will be initially owned, operated and/or managed by the Sublessee.

The Agency contemplates that it will provide financial assistance to the Company and the Sublessee in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes in connection with the acquisition, demolition, construction, renovation and equipping of the Facility and exemption of real property taxes consistent with the policies of the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company and the Sublessee or the location or nature of the Facility. Members of the public may listen to the Public Hearing and comment on the Project and the

benefits to be granted to the Company and the Sublessee by the Agency during the Public Hearing by calling (631) 490-9050, conference number 1040, and entering password 24816. Comments may also be submitted to the Agency in writing or electronically. Minutes of the Public Hearing will be transcribed and posted on the Agency's website. Prior to the hearing, all persons will have the opportunity to review on the Agency's website (<https://islipida.com/>) the application for financial assistance filed by the Company and the Sublessee with the Agency and an analysis of the costs and benefits of the proposed Facility.

Dated: \_\_\_\_\_, 2020

TOWN OF ISLIP INDUSTRIAL  
DEVELOPMENT AGENCY

By: William G. Mannix  
Title: Executive Director



## EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON  
\_\_\_\_\_, 2020 at \_\_\_\_\_ A.M.

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY  
(LYNEST ASSOCIATES, LLC/MAX FINKELSTEIN, INC. 2020 FACILITY)

\_\_\_\_\_

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

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

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

Lynest Associates, 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 Lynest Associates, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) and Max Finkelstein, Inc., a business corporation organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Max Finkelstein, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), have applied to the Town of Islip Industrial Development Agency (the “**Agency**”), to enter into a transaction in which the Agency will assist in the acquisition of an approximately 8.07 acre parcel of land located at 195 13<sup>th</sup> Avenue, Ronkonkoma 11779 (the “**Land**”), (i) the partial demolition of an existing approximately 102,674 square foot building located thereon to reduce its size to approximately 66,987 square feet (the “**Existing Building**”), and (ii) the construction of an approximately 54,043 square foot building to be located on the Land (the “**New Building**”; and, together with the Existing Building, the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the “**Facility Equipment**”; and together with the Land and the Improvements, the “**Company Facility**”), which Company Facility is to be leased by the Agency to the Company and the Existing Building will be subleased by the Company to a tenant or tenants not yet determined (the “**Tenant**”) and the New Building will be subleased by the Company to the Sublessee; and (b) the acquisition and installation of certain equipment and personal property (the “**Equipment**”; and together with the Company Facility, the “**Facility**”), which Equipment is to be leased by the Agency to the Sublessee and which New Building is to be used by the Sublessee for warehousing and distribution in its business of a distributor of tires (the “**Project**”). The Company Facility will be owned by the Company and managed and/or operated by the Sublessee. The Equipment will be initially owned, operated and/or managed by the Sublessee.

The Agency contemplates that it will provide financial assistance to the Company and the Sublessee in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes in connection with the acquisition, demolition, construction, renovation 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 \_\_\_\_\_, 2020, at \_\_\_\_\_ a.m., local time, by calling (631) 490-9050, conference number 1040, and entering password 24816, 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 \_\_\_\_\_, 2020.

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Assistant Secretary

**INVESTMENT: \$250,000**



Date: July 21, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, on the 21st day of July, 2020, 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 a certain industrial development facility more particularly described below (Wrap-N-Pack, Inc. 2020 Facility) and the subleasing of the facility to Wrap-N-Pack, Inc.

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 ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF WRAP-N-PACK, INC., A DELAWARE BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF WRAP-N-PACK, INC. 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, RENOVATING AND EQUIPPING AN INDUSTRIAL DEVELOPMENT 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, 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, Wrap-N-Pack, Inc., a business corporation organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Wrap-N-Pack, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Agency to enter into a transaction in which the Agency will assist in the acquisition of a leasehold interest in an approximately 10 acre parcel of land located at 120 Wilshire Boulevard, Brentwood, New York 11717 (the “**Land**”), and the existing approximately 150,000 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 is to be sub-subleased and leased by the Agency to the Company and is to be used by the Company as warehouse and distribution space in its business as a distributor of packaging and janitorial sanitation products (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on June 16, 2020 (the “**Inducement Resolution**”), decided to proceed under the provisions of the Act; and

WHEREAS, the Agency will acquire a subleasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of July 1, 2020 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 sub-sublease and lease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of July 1, 2020 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 sales and use taxes in an amount not to exceed \$21,563.00, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transaction is necessary to maintain the competitive position of the Company in its industry; 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. 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 constitutes a “project”, as such term is defined in the Act.

(c) The acquisition, renovation 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.

(d) The acquisition, renovation and equipping of the Facility by the Agency is reasonably necessary to induce the Company to maintain and expand its business operations in the Town of Islip.

(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 and all regional and local land use plans for the area in which the Facility is located.

(f) It is desirable and in the public interest for the Agency to lease the Facility to the Company.

(g) The Agency previously determined, pursuant to the Inducement Resolution, that the Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder (“SEQR”), thus completing its review of the Facility under SEQR. No changes have been proposed to the Facility since the time the Agency adopted its Negative Declaration, and therefore, the Agency’s obligations under SEQR have been completed.

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

(i) The Lease Agreement will be an effective instrument whereby the Agency leases and subleases 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.

Section 2. 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 3. In consequence of the foregoing, the Agency hereby determines to: (i) sublease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sub-sublease and lease the Facility to the Company pursuant to the Lease Agreement, and (iv) execute, deliver and perform the Lease Agreement.

Section 4. 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 5. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, renovation and equipping of the Facility in the form of (i) exemptions from sales and use taxes in an amount not to exceed \$21,563.00, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency.



Section 6. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, renovate 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, renovate 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, renovate 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 \$21,563.00 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 execution of the documents contemplated by this resolution.

Section 7. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement. 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 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 Agreement.

Section 8. The form and substance of the Company Lease and the Lease Agreement (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 9. 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 Company Lease and the Lease Agreement, each 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.

Section 10. 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 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. 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 21st day of July, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on July 21, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 21st day of July, 2020.

By: \_\_\_\_\_  
Assistant Secretary

## EXHIBIT A

### Proposed PILOT Benefits

Formula for 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), Brentwood School District, Suffolk County and Appropriate Special Districts

Normal Tax Due = Those payments for taxes and assessments, and other special ad valorem levies, special assessments and service charges against real property located in the Town of Islip (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located) which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

### Formula

#### Year

- |    |  |
|----|--|
| 1  | 100% Normal Tax Due on the taxable assessed value of \$560,000   |
| 2  | 100% Normal Tax Due on the taxable assessed value of \$616,000   |
| 3  | 100% Normal Tax Due on the taxable assessed value of \$672,000   |
| 4  | 100% Normal Tax Due on the taxable assessed value of \$728,000   |
| 5  | 100% Normal Tax Due on the taxable assessed value of \$784,000   |
| 6  | 100% Normal Tax Due on the taxable assessed value of \$840,000   |
| 7  | 100% Normal Tax Due on the taxable assessed value of \$896,000   |
| 8  | 100% Normal Tax Due on the taxable assessed value of \$952,000   |
| 9  | 100% Normal Tax Due on the taxable assessed value of \$1,008,000 |
| 10 | 100% Normal Tax Due on the taxable assessed value of \$1,064,000 |

And thereafter: 100% Normal Tax Due on the full taxable assessed value

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR JULY 21, 2020

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**AGENDA ITEM #5**

**TYPE OF RESOLUTION:** AUTHORIZING RESOLUTION

**COMPANY:** Gullhaven Commons, LLC

**PROJECT LOCATION:** GULL HAVEN ROAD, CENTRAL  
ISLIP

**JOBS (RETAINED/CREATED):** RETAINED - 00 -  
CREATE - 03 -

**INVESTMENT:** \$6,266,000

Date: July 21, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, on the 21st day of July, 2020, 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 a certain industrial development facility more particularly described below (Gull Haven Commons, LLC 2020 Facility) and the subleasing of the facility to Gull Haven Commons, 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 ACQUISITION, CONSTRUCTION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF GULL HAVEN COMMONS, LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF GULL HAVEN COMMONS, 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 AN INDUSTRIAL DEVELOPMENT 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, 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, Gull Haven Commons, 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 Gull Haven Commons, 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 to enter into a transaction in which the Agency will assist in the acquisition of an approximately 2.12 acre parcel of land (Tax Map #0500-165.00-13.00-001.000) located at Gull Haven Road, Central Islip, New York 11722 (the “**Land**”), the construction of an approximately 24,000 square foot building thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and, together with the Land and the Improvements, the “**Facility**”), which Facility is to be leased by the Agency to the Company and is to be used by the Company as a twenty-four (24) unit residential apartment complex (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on June 16, 2020 (the “**Inducement Resolution**”), decided to proceed under the provisions of the Act; 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 July 1, 2020 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 July 1, 2020 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, as security for a Loan or Loans (as such term is defined in the Lease Agreement), 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, renovation, and equipping of the Facility (collectively, the “**Loan Documents**”); 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 \$4,000,000 but not to exceed \$6,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$30,000.00 but not to exceed \$45,000.00, in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$100,000.00, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency; and

WHEREAS, the Agency has required the Company to provide to the Agency a feasibility report (the “**Feasibility Study**”), together with such letters or reports from interested parties and governmental agencies or officials (the “**Letters of Support**”; and together with the Feasibility Study, the “**Requisite Materials**”) to enable the Agency to make findings and determinations that the Facility qualifies as a “project” under the Act and that the Facility satisfies all other requirements of the Act, and such Requisite Materials are listed below and attached as Exhibit C to the Inducement Resolution:

1. Supplemental Benefits Analysis for Town of Islip Industrial Development Agency – Gull Haven Commons, dated May, 2020 by VHB Engineering, Surveying and Landscape Architecture, P.C.;
2. New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.; and
3. Ryan et al. v. Town of Hempstead Industrial Development Agency et al.; and

WHEREAS, the Agency's Uniform Tax Exemption Policy ("UTEP"), which such UTEP is annexed to the Inducement Resolution as Exhibit D, provides for the granting of financial assistance by the Agency for housing projects pursuant to Section I.A.4.; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transaction is necessary to maintain the competitive position of the Company in its industry; 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 rental housing in the Town of Islip;

(b) Such lack of rental 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 rental 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., rental 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.

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

(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.

(d) The acquisition, construction and equipping of the Facility by the Agency is reasonably necessary to induce the Company to maintain and expand its business operations in the Town of Islip.

(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 and all regional and local land use plans for the area in which the Facility is located.

(f) It is desirable and in the public interest for the Agency to lease the Facility to the Company.

(g) The Agency previously determined, pursuant to the Inducement Resolution, that the Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder ("SEQR"), thus completing its review of the Facility under SEQR. No changes have been proposed to the Facility since the time the Agency adopted its Negative Declaration, and therefore, the Agency's obligations under SEQR have been completed.

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

(i) The Lease Agreement will be an effective instrument whereby the Agency leases and subleases 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.

(j) 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) sublease and lease 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 interests in and to the Facility pursuant to the Loan Documents, and (vi) execute and deliver 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 is hereby authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, constructing and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, constructing and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 7. 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 \$4,000,000 but not to exceed \$6,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$30,000.00 but not to exceed \$45,000.00, in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$100,000.00, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency.

Section 8. 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 \$100,000.00 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 execution of the documents contemplated by this resolution.

Section 9. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement. 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 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 Agreement.

Section 10. 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 11. 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 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, 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.

Section 12. 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 13. 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 14. 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 21st day of July, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on July 21, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 21st day of July, 2020.

By: \_\_\_\_\_  
Assistant Secretary

## EXHIBIT A

### Proposed PILOT Benefits

Formula for 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), Central Islip School District, Suffolk County and Appropriate Special Districts

X = \$30,800

Y = increase in assessment above X resulting from the acquisition, construction and equipping of the Facility

Normal Tax Due = Those payments for taxes and assessments, and other special ad valorem levies, special assessments and service charges against real property located in the Town of Islip (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located) which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

#### Formula

<u>Year</u>	
1	100% Normal Tax Due on X and 0% Normal Tax Due on Y
2	100% Normal Tax Due on X and 10% Normal Tax Due on Y
3	100% Normal Tax Due on X and 20% Normal Tax Due on Y
4	100% Normal Tax Due on X and 30% Normal Tax Due on Y
5	100% Normal Tax Due on X and 40% Normal Tax Due on Y
6	100% Normal Tax Due on X and 50% Normal Tax Due on Y
7	100% Normal Tax Due on X and 60% Normal Tax Due on Y
8	100% Normal Tax Due on X and 70% Normal Tax Due on Y
9	100% Normal Tax Due on X and 80% Normal Tax Due on Y
10	100% Normal Tax Due on X and 90% Normal Tax Due on Y
And thereafter: 100% Normal Tax Due on X and 100% Normal Tax Due on Y	

Company to pay Normal Tax Due on X during Construction Period. PILOT Payments to commence in Tax Year following Company's receipt of Certificate of Occupancy.

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR JULY 21, 2020

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**AGENDA ITEM #6**

**TYPE OF RESOLUTION:** AUTHORIZING RESOLUTION

**COMPANY:** Greenview Commons West

**PROJECT LOCATION:** 4180 Sunrise Hwy, Oakdale

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

**INVESTMENT:** \$50,650,000

Date: July 21, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, on the 21st day of July, 2020, 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 a certain industrial development facility more particularly described below (Greenview Commons West, LLC Facility) and the subleasing of the facility to Greenview Commons West, 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 ACQUISITION, DEMOLITION, CONSTRUCTION, EQUIPPING AND FURNISHING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF GREENVIEW COMMONS WEST, LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF GREENVIEW COMMONS WEST, LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING, AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, DEMOLISHING, CONSTRUCTING, EQUIPPING AND FURNISHING AN INDUSTRIAL DEVELOPMENT 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, 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, Greenview Commons West, LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Greenview Commons West, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Agency, to enter into a transaction in which the Agency will assist in the acquisition of an approximately 13.2 acre parcel of land located at the south side of Sunrise Highway, approximately 400 feet west of Oakdale Bohemia Road, Oakdale, New York 11769 (SCTM# 0500-302.00-02.00-003.000) (the “**Land**”), the demolition of an approximately 2,000 square foot building located thereon, the construction of an approximately 230,000 square foot building thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company and is to be used as a senior housing apartment complex containing approximately one hundred fifty-eight (158) rental apartments together with common areas, a fitness center, a pool, and a pool house (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on June 16, 2020 (the “**Inducement Resolution**”), decided to proceed under the provisions of the Act; 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 July 1, 2020 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 July 1, 2020 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, as security for a Loan or Loans (as such term is defined in the Lease Agreement), 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, renovation, and equipping of the Facility (collectively, the “**Loan Documents**”); 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 \$41,000,000 but not to exceed \$45,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$307,500.00 but not to exceed \$337,500.00, in connection with the financing of the acquisition, demolition, construction, equipping and furnishing of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, demolishing, constructing, equipping and furnishing of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$1,060,875.00, 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 A hereof), all consistent with the policies of the Agency; and

WHEREAS, the Agency has required the Company to provide to the Agency a feasibility report (the “**Feasibility Study**”), together with such letters or reports from interested parties and governmental agencies or officials (the “**Letters of Support**”; and together with the Feasibility Study, the “**Requisite Materials**”) to enable the Agency to make findings and determinations that the Facility qualifies as a “project” under the Act and that the Facility satisfies all other requirements of the Act, and such Requisite Materials are listed below and attached as Exhibit C to the Inducement Resolution:

1. Benefits Analysis for Town of Islip Industrial Development Agency – Greenview Commons West, dated January, 2020 by VHB Engineering, Surveying and Landscape Architecture, P.C.;



2. New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.; and
3. Ryan et al. v. Town of Hempstead Industrial Development Agency et al.; and

WHEREAS, the Agency's Uniform Tax Exemption Policy ("UTEP"), which such UTEP is annexed to the Inducement Resolution as Exhibit D, provides for the granting of financial assistance by the Agency for housing projects pursuant to Section I.A.4.; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transaction is necessary to maintain the competitive position of the Company in its industry; 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, demolition, construction, equipping and furnishing 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 senior housing in the Town of Islip;

(b) Such lack of senior 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 senior 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., senior 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.

(b) The Facility constitutes a “project”, as such term is defined in the Act.

(c) The acquisition, demolition, construction, equipping and furnishing 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.

(d) The acquisition, demolition, construction, equipping and furnishing of the Facility by the Agency is reasonably necessary to induce the Company to maintain and expand its business operations in the Town of Islip.

(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 and all regional and local land use plans for the area in which the Facility is located.

(f) It is desirable and in the public interest for the Agency to lease the Facility to the Company.

(g) The Agency previously determined, pursuant to the Inducement Resolution, that the Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder (“SEQR”), thus completing its review of the Facility under SEQR. No changes have been proposed to the Facility since the time the Agency adopted its Negative Declaration, and therefore, the Agency’s obligations under SEQR have been completed.

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

(i) The Lease Agreement will be an effective instrument whereby the Agency leases and subleases 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.

(j) 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) sublease and lease 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 interests in and to the Facility pursuant to the Loan Documents, and (vi) execute and deliver 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 is hereby authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, demolishing, constructing, equipping and furnishing the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, demolishing, constructing, equipping and furnishing of the Facility without the need for any further or future approvals of the Agency.

Section 7. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, demolition, construction, equipping and furnishing 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 \$41,000,000 but not to exceed \$45,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$307,500.00 but not to exceed \$337,500.00, 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, demolishing, constructing, equipping and furnishing the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$1,060,875.00, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency.

Section 8. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, demolish, construct, equip and furnish 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, demolish, construct, equip and furnish 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, demolish, construct, equip and furnish 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 \$1,060,875.00 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 execution of the documents contemplated by this resolution.

Section 9. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement. 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 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 Agreement.

Section 10. 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 11. 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 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, 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.

Section 12. 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 13. 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 14. 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 21st day of July, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on July 21, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 21st day of July, 2020.

By: \_\_\_\_\_  
Assistant Secretary



## EXHIBIT A

### Proposed PILOT Benefits

Formula for 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), Connetquot School District, Suffolk County and Appropriate Special Districts

X = \$264,000

Y = increase in assessment above X resulting from the acquisition, construction and equipping of the Facility

Normal Tax Due = Those payments for taxes and assessments, and other special ad valorem levies, special assessments and service charges against real property located in the Town of Islip (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located) which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

#### Formula

<u>Year</u>	
1	100% Normal Tax Due on X and 0% Normal Tax Due on Y
2	100% Normal Tax Due on X and 10% Normal Tax Due on Y
3	100% Normal Tax Due on X and 20% Normal Tax Due on Y
4	100% Normal Tax Due on X and 30% Normal Tax Due on Y
5	100% Normal Tax Due on X and 40% Normal Tax Due on Y
6	100% Normal Tax Due on X and 50% Normal Tax Due on Y
7	100% Normal Tax Due on X and 60% Normal Tax Due on Y
8	100% Normal Tax Due on X and 70% Normal Tax Due on Y
9	100% Normal Tax Due on X and 80% Normal Tax Due on Y
10	100% Normal Tax Due on X and 90% Normal Tax Due on Y
And thereafter: 100% Normal Tax Due on X and 100% Normal Tax Due on Y	

Company to pay Normal Tax Due on X during Construction Period. PILOT Payments to commence in Tax Year following Company's receipt of Certificate of Occupancy.

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR JULY 21, 2020

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**AGENDA ITEM #7**

**TYPE OF RESOLUTION:** RESOLUTION AUTHORIZING FOR A  
TENANT CONSENT

**COMPANY:** HILO Equipment Services, LLC/Alta  
Industrial

**PROJECT LOCATION:** 845 South First Street,  
Ronkonkoma

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

**INVESTMENT:** \$N/A

Date: July 21, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “Agency”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, on the 21st day of July, 2020, 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 the Hilo Equipment and Services, LLC 2018 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 THE HILO  
EQUIPMENT AND SERVICES, LLC 2018 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, the Agency previously assisted Hilo Equipment and Services, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the “**Company**”), in connection with (a) the acquisition of a leasehold interest in an approximately 4.3 acre parcel of land located at 845 South First Street, Ronkonkoma, New York (the “**Land**”), (b) the renovation of an approximately 64,224 square foot building located thereon (the “**Improvements**”), and (c) 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 subleased and leased by the Agency to the Company and which Facility will be used by the Company for its primary use as an industrial service, rentals and lighting sales, and distribution center (the “**Project**”); and

WHEREAS, the Company acquired a ground lease interest in the Land and the Improvements from DEA Land, LLC, a limited liability company duly organized and existing under the laws of the State of New York (the “**Owner**”), pursuant to a certain Lease Agreement with Option to Purchase, dated as of June 1, 2017, by and between Owner and the Company (the “**Ground Lease**”); and

WHEREAS, the Company subleased the Land and the Improvements to the Agency pursuant to a certain Company Lease Agreement, dated as of September 1, 2018 (the “**Company Lease**”), by and between the Company, as lessor and the Agency, as lessee, and a Memorandum of Company Lease was to be recorded in the Suffolk County Clerk’s office

WHEREAS, the Agency is sub-subleasing the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of September 1, 2018 (the “**Lease Agreement**”), by and between the Agency, as sublessor and the Company, as sublessee, and a Memorandum of Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency previously consented to a request by the Company of its desire to exercise its option to purchase the Land and the Improvements from the Owner pursuant to the Ground Lease (the “**Purchase**”); and

WHEREAS, the Company has negotiated to sublease the Facility to Alta Industrial Equipment LLC (the “**Tenant**”) for a term of 10 years, with 2 options to extend (the

**“Demised Premises”**), pursuant to certain Lease Agreement, to be dated a date as may be determined (the **“Tenant Lease”**), by and between the Company and the Tenant, to be used as a warehouse and distribution facility in the Tenant’s business as an industrial service, rentals and lighting sales, and distribution center; and

WHEREAS, in connection with the lease of the Demised Premises to the Tenant, the Company also intends to sell substantially all of its assets (excluding the Land and Improvements) to the Tenant (the **“Asset Transfer”**); and

WHEREAS, the Company has requested that the Agency consent to the subleasing of the Demised Premises to the Tenant and the Asset Transfer; 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, dated a date to be determined, between the Agency and the Tenant (the **“Tenant Agency Compliance 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 sublease 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 sublease 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 sublease 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 sublease of the Facility and to enter into the Tenant Agency Compliance Agreement.

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

Section 3. The form and substance of the Tenant Agency Compliance Agreement (in substantially the form presented to the Agency and which, prior to the execution and delivery thereof, may be redated) is 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 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 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 21st day of July, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on July 21, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 21st day of July, 2020.

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

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR JULY 21, 2020

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**AGENDA ITEM #8**

**TYPE OF RESOLUTION:** AUTHORIZING RESOLUTION FOR A  
REFINANCE

**COMPANY:** Freckle Face Realty, LLC/Kelco  
Construction, Inc.

**PROJECT LOCATION:** 25 NEWTON PLACE, HAUPPAUGE

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

**INVESTMENT:** \$N/A

Date: July 21, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, on the 21st day of July, 2020, 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 refinancing and the execution of related loan documents in connection with a certain industrial development facility more particularly described below (Freckle Face Realty, LLC/Kelco Construction, Inc. 2014 Facility) and approving the execution and delivery of related documents.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL  
DEVELOPMENT AGENCY AUTHORIZING MORTGAGE  
FINANCING AND THE EXECUTION AND DELIVERY OF LOAN  
DOCUMENTS IN CONNECTION THEREWITH FOR THE  
FRECKLE FACE REALTY, LLC 2014 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 Freckle Face Realty, LLC, a New York limited liability company on behalf of itself and/or the principals of Freckle Face Realty, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), and Kelco Construction, Inc., a New York business corporation, on behalf of itself and/or the principals of Kelco Construction, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), in the acquisition of an approximately 2.8 acre parcel of land located at 25 Newton Place, Hauppauge, Town of Islip, New York (the “**Land**”), the demolition of an existing approximately 11,352 square foot building located thereon and the construction and equipping of an approximately 32,000 square foot building, including, but not limited to, site improvements, full landscaping, design, improved parking (the “**Improvements**” and “**Equipment**”; and, together with the Land, the “**Facility**”), all to be located on the Land, which Facility is leased by the Agency to the Company, and further subleased by the Company to, and used by, the Sublessee as a storage, maintenance and office facility in its business as a landscape contractor (the “**Project**”); and

WHEREAS, the Agency acquired a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of February 1, 2014 (the “**Company Lease**”), by and between the Company, as lessor and the Agency, as lessee, and a memorandum of Company Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency is subleasing and leasing the Facility to the Company pursuant to a certain Lease Agreement, dated as of February 1, 2014 (the “**Lease Agreement**”), by and between the Agency, as sublessor and the Company, as sublessee, and a memorandum of Lease Agreement was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, in order to define the Company’s obligations regarding payments-in-lieu-of taxes with respect to the Facility, the Agency and the Company entered into a certain Payment-in-Lieu-of-Tax Agreement, dated as of February 1, 2014 (the “**PILOT Agreement**”), pursuant to which the Company makes payments in lieu of taxes on the Facility; and

WHEREAS, in connection with the leasing and the subleasing of the Facility, the Agency and the Company entered into a certain Recapture Agreement, dated as of February 1, 2014 (the “**Recapture Agreement**”), between the Agency and the Company; and

WHEREAS, as security for the Loan (as such term is defined in the Lease Agreement), the Agency and the Company executed and delivered to Wells Fargo Bank, National Association (the “**2014 Lender**”), a certain Construction Mortgage, dated February 27, 2014 (the “**2014 Mortgage**”), securing the principal amount of \$4,684,700.000, which Mortgage was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Company has now requested that the Agency consent to enter into a refinancing with Genworth Life Insurance Company, or such other lender as may be determined (the “**2020 Lender**”), with respect to the Facility in the aggregate principal amount presently expected to be \$4,850,000 but not to exceed \$5,000,000 (the “**2020 Loan**”); and

WHEREAS, the proceeds of the 2020 Loan will be used to satisfy the 2014 Mortgage; and

WHEREAS, as security for such 2020 Loan being made to the Company by the 2020 Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the 2020 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 2020 Lender (the “**2020 Loan Documents**”); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes securing the principal amount presently estimated to be \$4,850,000, but not to exceed \$5,000,000, in connection with the financing or refinancing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping the Facility; and

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

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

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

Section 1. The Agency hereby finds and determines:

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

- (c) The 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, construction and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Islip, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.
- (e) The financing or refinancing of the acquisition, construction and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (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 2020 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2020 Loan and assign to the 2020 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 2020 Lender (the "**2020 Mortgage**"), (ii) execute, deliver and perform the 2020 Mortgage, and (iii) execute, deliver and perform the 2020 Loan Documents to which the Agency is a party, as may be necessary or appropriate to effect the 2020 Loan or any subsequent refinancing of the 2020 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 2020 Loan Documents and 2020 Mortgage, and such other related documents as may be necessary or appropriate to effect the 2020 Loan, or any subsequent refinancing of the 2020 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 authorizes and approves the following economic benefits to be granted to the Company in the form of exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$4,850,000, but not to exceed \$5,000,000, in connection with the financing or refinancing of the acquisition, construction and equipping of the



Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping of the Facility.

Section 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 2020 Mortgage and the 2020 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. By acceptance hereof, the Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the financing or refinancing of the Facility.

Section 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 the 21st day of July, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on July 21, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 21st day of July, 2020.

By: \_\_\_\_\_  
Assistant Secretary

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR JULY 21, 2020

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**AGENDA ITEM #9**

**TYPE OF RESOLUTION:** RESOLUTION TO AUTHORIZE A  
CORRECTED PILOT SCHEDULE

**COMPANY:** Alphamed Realty, LLC 2020 Facility

**PROJECT LOCATION:** S. TECHNOLOGY DRIVE, CENTRAL  
ISLIP

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

**INVESTMENT:** \$N/A

Date: July 21, 2020

At a meeting of the Town of Islip Industrial Development Agency (the “Agency”), held via Live-Stream at <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, on the 21st day of July, 2020, 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 an amendment of the Alphamed Realty LLC 2020 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 CONSENTING TO AN AMENDMENT TO THE LEASE AND  
PROJECT AGREEMENT FOR THE ALPHAMED REALTY LLC 2020  
FACILITY AND APPROVING THE FORM, SUBSTANCE AND  
EXECUTION OF RELATED DOCUMENTS AND MAKING CERTAIN  
FINDINGS AND DETERMINATIONS

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 Alphamed Realty LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the “**Company**”) in the acquisition of an approximately 6.1 acre parcel of land located on South Technology Drive, Central Islip, New York (Tax Map No. 0500-206.00-03.00-001.002) (the “**Land**”), the construction and equipping of an approximately 90,000 square feet building located thereon and the acquisition and installation therein of certain equipment and personal property (the “**Improvements**” and “**Equipment**”; and, together with the Land, the “**Facility**”), which Facility is leased by the Agency to the Company and an approximately 35,000 square foot portion will be subleased to a tenant or tenants not yet determined, and the remaining approximately 55,000 square foot portion will be used by the Company as an additional warehouse, distribution and assembly center in its business as a manufacturer and distributor of pharmaceutical products (“**Project**”); and; and

WHEREAS, the Agency acquired a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of February 1, 2020 (the “**Company Lease**”), by and between the Company, as lessor, and the Agency, as lessee, and a memorandum of Company Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency currently leases the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of February 1, 2020 (the “**Lease Agreement**”), by and between the Agency, as lessor, and the Company, as lessee, and a memorandum of Lease Agreement was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Agency previously consented to a request by the Company to sublease a portion of the Facility consisting of approximately 33,000 square feet of the Facility for a term of 10 years (the “**Demised Premises**”), to AlphaMed Bottles Inc., a New York business corporation (the “**Tenant**”), pursuant to certain Sublease, dated February 21, 2020, and effective upon completion by the Company of the construction and issuance of the certificate of occupancy (the “**Tenant Lease**”), by and between the Company and the Tenant,



to be used as a warehouse and distribution facility in the Tenant's business as a manufacturer and distributor of pharmaceutical products; and

WHEREAS, the Agency has been notified that Exhibit C to the Lease Agreement containing the PILOT Schedule ("**Exhibit C**"), contained a scrivener's error with respect to the current value of the Land in the Lease Agreement and the commencement date of the PILOT Schedule; and

WHEREAS, the Agency desires to correct and amend Exhibit C to the Lease Agreement as found on Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, the Agency desires to correct and amend the Lease Agreement to provide that the PILOT Schedule shall commence following the receipt by the Company of the certificate of occupancy with respect to the Facility; and

WHEREAS, such correction and amendment of the Lease Agreement may be manifested by the execution and delivery of an Amendment to Lease, dated a date to be determined, between the Agency and the Company (the "**Lease Amendment**"); 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 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. In consequence of the foregoing, the Agency hereby determines to correct and amend the Lease Agreement.

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 Agency consents to the correction of Exhibit C of the Lease Agreement; and
- (c) The Agency consents to the correction of the commencement date of the PILOT Schedule; and
- (d) The execution of the Amendment of Lease will correct Exhibit C of the Lease Agreement and the commencement date of the PILOT Schedule; and
- (e) It is desirable and in the public interest for the Agency to correct and amend Exhibit C of the Lease Agreement and to enter into the Lease Amendment and the commencement date of the PILOT Schedule.



Section 2. In consequence of the foregoing, the Agency hereby determines to enter into the Lease Amendment.

Section 3. The form and substance of the Lease Amendment (in substantially the form presented to the Agency and which, prior to the execution and delivery thereof, may be redated) is 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 Lease 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 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 21st day of July, 2020, 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, due to the Novel Coronavirus (COVID-19) Emergency State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.1 issued on March 12, 2020, as amended to date, permitting local governments to hold public hearings by telephone and video conference and/or similar device, the Agency’s Board Meeting on July 21, 2020 (the “**Board Meeting**”), was held electronically via Live-Stream instead of a public meeting open for the public to attend in person. Members of the public were advised, via the Agency’s website, to listen to the Board Meeting by going to <http://islipida.com/business-assistance/ida/ida-documents-2/96-ida-videos/ida-board-meetings/335-ida-board-meeting-7-21-2020.html>, and were further advised that the Minutes of the Board Meeting would be transcribed and posted on the Agency’s website, and that all members of said Agency had due notice of said meeting and that the meeting was in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 21st day of July, 2020.

By: \_\_\_\_\_  
Assistant Secretary

## Exhibit A

### PILOT Schedule

Formula for 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), Central Islip School District, Suffolk County and Appropriate Special Districts

Address – South Technology Drive, Central Islip, New York

Tax Map No. 0500-206.00-03.00-001.002

#### Definitions

Normal Tax Due = Those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Islip, Central Islip School District, Suffolk County and Appropriate Special Districts (including any existing incorporated village or any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located) which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

X = \$199,300 (current land value)

Y = increase in assessment above X resulting from the acquisition, construction and equipping of the Facility

#### Year

- 1 100% Normal Tax Due on X and 0% Normal Tax Due on Y
- 2 100% Normal Tax Due on X and 0% Normal Tax Due on Y
- 3 100% Normal Tax Due on X and 0% Normal Tax Due on Y
- 4 100% Normal Tax Due on X and 0% Normal Tax Due on Y
- 5 100% Normal Tax Due on X and 0% Normal Tax Due on Y
- 6 100% Normal Tax Due on X and 10% Normal Tax Due on Y
- 7 100% Normal Tax Due on X and 20% Normal Tax Due on Y
- 8 100% Normal Tax Due on X and 30% Normal Tax Due on Y
- 9 100% Normal Tax Due on X and 40% Normal Tax Due on Y
- 10 100% Normal Tax Due on X and 50% Normal Tax Due on Y
- 11 100% Normal Tax Due on X and 60% Normal Tax Due on Y
- 12 100% Normal Tax Due on X and 70% Normal Tax Due on Y
- 13 100% Normal Tax Due on X and 80% Normal Tax Due on Y
- 14 100% Normal Tax Due on X and 90% Normal Tax Due on Y
- 15 and thereafter 100% Normal Tax Due on X and 100% Normal Tax Due on Y