



MEETING OF THE TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY

October 18, 2016

Agenda

1. Call the meeting of the Town of Islip Industrial Development Agency to order.
2. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the **minutes** from the meeting on September 20, 2016.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **KENCO, LLC**. Located at 2175 5<sup>th</sup> Avenue, Ronkonkoma.
4. To consider the adoption of an Authorizing Resolution for Consent to Sublease and to Provide Sales tax Benefits to **Best Yet Market, Inc.** Located at 1724 Fifth Avenue, Bay Shore, New York.
5. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **Bay Shore Main & 4<sup>th</sup>, LLC**. Located at 1-19 and 21-27 East Main Street, Bay Shore, New York.
6. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **Crown Royal Ventures, LLC**. Located at 1545 Ocean Avenue, Bohemia, New York.
7. To consider the adoption of a Resolution Authorizing the continued subleasing of a portion of the Facility to **Kreitzman and Kreitzman CPAS PLLC** and the execution of a Tenant Agency Compliance Agreement in connection therewith. Located at 898 Veterans Memorial Highway, Suite 300, Hauppauge, New York.
8. To consider the adoption to Amend an Authorizing Resolution to increase the previously authorized Mortgage Amount and the Mortgage Recording Tax Benefits for Avco Industries, Inc. Located at 50 Windsor Place and 120 Windsor Place, Central Islip, New York.
9. To consider any other business that may come before the Agency.

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR OCTOBER 18, 2016

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**AGENDA ITEM # 2**

**TYPE OF RESOLUTION: APPROVE MINUTES OF THE  
MEETING FROM SEPTEMBER 20, 2016**

**COMPANY: N/A**

**PROJECT LOCATION: N/A**

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

**INVESTMENT: \$**



## MEETING OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY

September 20, 2016

### Minutes

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1. The Meeting of the Town of Islip Industrial Development Agency was called to order on a motion by Councilman Steve Flotteron and seconded by Councilman John Cochrane.

Members Supervisor, Chairperson Angie M. Carpenter, Councilwoman Bergin Weichbrodt, Councilman John Cochrane and Councilman Steve Flotteron were present. Councilwoman Mullen was absent and the Chairwoman acknowledged a quorum.

2. To consider the adoption of a Resolution on behalf of the Town of Islip Industrial Development Agency to approve the minutes from the meetings on **July 26, 2016** and **August 9, 2016**. On a motion by Chairwoman Angie Carpenter and seconded by Councilwoman Mary Kate Mullen, said motion was approved unanimously.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Crown Royal Ventures, LLC**. Located at 1555 Locust Avenue, Bohemia. On a motion by Councilman John Cochrane and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved unanimously.
4. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Bay Shore Main & 4<sup>th</sup>, LLC**. Located at 1-19, 21-27 E. Main Street, Bay Shore. On a motion by Councilman Steve Flotteron and seconded by Councilman John Cochrane, said motion was approved unanimously.
5. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Best Yet Market, Inc.** Located at 1724 Fifth Avenue, Bay Shore. On a motion by Councilman John Cochrane and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved unanimously.
6. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **Designs for Vision**. Located at 760 Koehler Avenue, Ronkonkoma. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilwoman Mary Kate Mullen, said motion was approved unanimously.
7. To consider an Amended Authorizing Resolution for **Broadway West II**. Located at 75 Springfield Road, Brentwood. On a motion by Councilman Steve Flotteron and seconded by Councilman John Cochrane, said motion was approved unanimously.
8. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **MS International**. Located at 50 Heartland Blvd, Brentwood. On a motion by Councilman Steve Flotteron and seconded by Councilwoman Mary Kate Mullen, said motion was approved unanimously.
9. To consider **any other business** to come before the Agency. Meeting adjourned by Councilman John Cochrane and seconded by Councilwoman Trish Bergin Weichbrodt.

**TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR OCTOBER 18, 2016**

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**AGENDA ITEM # 3**

**TYPE OF RESOLUTION: INDUCEMENT RESOLUTION**

**COMPANY: KENCO, LLC**

**PROJECT LOCATION: 2175 5<sup>TH</sup> AVENUE,  
RONKONKOMA**

**JOBS (RETAINED/CREATED): RETAINED - 43 -  
CREATE - 04 -**

**INVESTMENT: \$1,814,000.00**



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

WHEREAS, Kenco 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 Kenco LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the **"Company"**) and Alken Industries Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Alken Industries Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the **"Sublessee"**), have applied to the Town of Islip Industrial Development Agency (the **"Agency"**) to enter into a transaction in which the Agency will assist in (a) the acquisition of an approximately 1.68 acre parcel of land located at 2175 5th Avenue, Ronkonkoma, New York, 11779 (the **"Land"**), the renovation of an approximately 30,800 square foot building located thereon (the **"Improvements"**), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as such term is defined herein) (the **"Facility Equipment"**; and, together with the Land and the Improvements, the **"Company Facility"**), which Company Facility will be subleased and leased by the Agency to the Company, and further subleased by the Company to the Sublessee, and (b) the acquisition and installation of certain equipment and personal property (the **"Equipment"**; and, together with the Company Facility, the **"Facility"**), which Equipment is to be leased by the Agency to the Sublessee and which Facility will be used by the Sublessee for its primary use as a manufacturer of complex aircraft parts and assemblies for major aerospace companies and the U.S. Department of Defense; and

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

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee in connection with the Facility, consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes in connection with the

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

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

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

WHEREAS, prior to the date of the Hearing (defined below), the Agency will have made a determination for financial assistance; and

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

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

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

WHEREAS, the Agency has given due consideration to the application of the Company and 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, 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 Sublessee and reviewed by the Agency and other representations and information furnished by the Company and the Sublessee regarding the Facility, the Agency determines that the action relating to the acquisition, renovation, equipping, and operation of the Facility is an “unlisted” action, as that term is defined in the 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, renovation and equipping of the Facility by the Agency, the subleasing and leasing of the Company Facility to the Company for the 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, 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 hereby agree to comply with Section 875 of the Act. The Company and the Sublessee further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company and the Sublessee as agents of the Agency pursuant to this resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act the recapture provisions of the Lease and Project Agreement, dated a date to be determined (the “**Lease Agreement**”), by and between the Company and the Agency.

Section 5. Counsel to the Agency is authorized and directed to work with Transaction Counsel (Nixon Peabody LLP) to prepare, for submission to the Agency, all documents necessary to affect the transfer of the real estate described in the foregoing resolution.

Section 6. The Chairman, the Executive Director 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. By acceptance hereof, 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.

ADOPTED: October 18, 2016

ACCEPTED: \_\_\_\_\_, 2016

**KENCO LLC**

By: \_\_\_\_\_  
Name:  
Title:

**ALKEN INDUSTRIES INC**

By: \_\_\_\_\_  
Name:  
Title:



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

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

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

Such resolution was passed at a meeting of the Agency duly convened in public session on October 18, 2016, at Islip Town Hall, 655 Main Street, Islip, New York, at which meeting the following members were:

Present:

Absent:

Also Present:

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Voting Aye

and, therefore, the resolution was declared duly adopted.

The Application is in substantially the form presented to and approved at such meeting.

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

IN WITNESS WHEREOF, I have hereunto set my hand as of October 18, 2016.

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Assistant Secretary

**TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR OCTOBER 18, 2016**

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**AGENDA ITEM # 4**

**TYPE OF RESOLUTION: AUTHORIZING RESOLUTION**

**COMPANY: BEST YET MARKET, INC.**

**PROJECT LOCATION: 1724 FIFTH AVENUE, BAY  
SHORE**

**JOBS (RETAINED/CREATED): RETAINED - 0 -  
CREATE - 200 -**

**INVESTMENT: \$7,500,000.00**

Date: October 18, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at the Islip Town Hall, 655 Main Street, Islip, New York on the 18th day of October, 2016, the following members of the Agency were:

Present:

Absent:

Recused:

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 authorization of financial assistance and consent to subleasing in connection with a certain industrial development facility more particularly described below (Suffolk County Industrial LLC 2016 Facility).

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

Voting Aye

Voting Nay



RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL  
DEVELOPMENT AGENCY TAKING OFFICIAL ACTION  
TOWARD THE CONSENT TO THE SUB-SUBLEASING OF THE  
SUFFOLK COUNTY INDUSTRIAL LLC FACILITY AND  
AUTHORIZING SALES AND USE TAX BENEFITS FOR BEST  
YET MARKET INC. 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 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, on January 20, 2016, the Agency authorized a transaction to provide its assistance to Suffolk County Industrial 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 Suffolk County Industrial 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 32.88 acre parcel of land located at 1724 Fifth Avenue, Bay Shore, New York 11706 (the “**Land**”), the renovation of an existing approximately 400,000 square foot building located thereon, together with the acquisition and installation of improvements, structures and other related facilities attached to the Land (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and, together with the Land and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company, and used by the Company as an industrial complex for further sublease by the Company to future tenants not yet determined (collectively, the “**Sublessees**”); 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 October 1, 2016 or such other date as the Chairman or 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 Agreement, dated as of October 1, 2016 or such other date as the Chairman or 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 Company will sublease an approximately 295,000 square foot portion of the Facility (the “**Demised Premises**”) to 1724 Fifth Avenue Realty LLC (the “**Sublessee**”) pursuant to a Lease Agreement, dated June 20, 2016 (the “**Sublease**”), by and between the Company and the Sublessee; and

WHEREAS, further, the Sublessee intends to sub-sublease the Demised Premises to Best Yet Market Inc., a New York corporation (the “**Tenant**”), pursuant to certain lease, dated a date not yet determined (the “**Tenant Lease**”), by and between the Sublessee and the Tenant, to be used in the Tenant’s business as its corporate offices, warehouse distribution for all of its supermarket stores, a food incubator and shared food manufacturing facility, as well as retail supermarket (which retail supermarket will comprise less than 10% of the Demised Premises) and there will be additional production equipment and renovations being acquired, constructed and installed in the Demised Premises (the “**Additional Improvements**”); and

WHEREAS, the Tenant presently has approximately 103 full-time and 8 part-time employees and the Tenant expects to increase the number to approximately 163 full-time employees by the end of the second year at the Demised Premises; and

WHEREAS, by application dated, September 7, 2016, the Tenant has requested the Agency’s assistance in the acquisition, installation and equipping of the Additional Improvements; 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 (the “**Tenant Agency Compliance Agreement**”), by and between the Agency and the Tenant; and

WHEREAS, in connection with the subleasing of the Demised Premises, the Tenant has requested the Agency’s consent to sales or use tax exemptions on the purchases or lease of equipment, building materials, services or other personal property in an amount equal to approximately \$650,000 in sales tax benefits totaling approximately \$7,500,000 in purchases in the acquisition, equipping and installation of the Demised Premises (collectively, the “**Tenant Sales and Use Tax Benefits**”); and

WHEREAS, the Tenant 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 sales and use tax benefits for the Demised Premises and the sub-subleasing of the Demised Premises by the Sublessee to the Tenant.

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

Section 1. The Agency hereby finds and determines:

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

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

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

(d) The Tenant Sales and Use Tax Benefits are reasonably necessary to induce the Tenant to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Tenant and counsel to the Tenant, the Demised Premises 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 Demised Premises is located; and

(f) It is desirable and in the public interest for the Agency to consent to the subleasing of the Demised Premises to the Tenant; and

(g) 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

(h) The Tenant Equipment Lease Agreement, dated as of October 1, 2016 or such other date as may be determined by the Agency and counsel to the Agency (the “**Equipment Lease Agreement**”), between the Agency and the Tenant, will be an effective instrument wherein the Agency leases the Equipment (as defined therein) to the Tenant and appoints the Tenant as its agent in connection with the acquisition, equipping and installation of the Demised premises to the Tenant; and

(i) The Tenant Equipment Bill of Sale, dated as of October 1, 2016 or such other date as may be determined by the Agency and counsel to the Agency (the “**Tenant Equipment Bill of Sale**”), from Tenant to the Agency, will be an effective instrument whereby Tenant conveys the Equipment (as defined therein) to the Agency.

Section 2. The Agency has assessed all material information included in connection with the Tenant’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 Tenant.

Section 3. The Agency hereby approves the subleasing of Demised Premises by the Sublessee to the Tenant.

Section 4. The Agency hereby approves the amount of sales and use tax exemptions on the purchases or lease of equipment, building materials, services or other personal property to acquire, install and equip the Demised Premises, for a total aggregate amount of up to \$650,000, with an equivalent aggregate purchasing of approximately \$7,500,000).

Section 5. Subject to the provisions of this resolution, the Tenant is herewith and hereby appointed the agent of the Agency to acquire, renovate, construct and equip the Demised

Premised. The Tenant 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 Tenant may choose in order to acquire, renovate, construct and equip the Demised Premises. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Tenant as agent of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Demised Premises, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Tenant, as agent of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the Demised Premises. This agency appointment expressly excludes the purchase by the Tenant 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 Tenant 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 Tenant, as agent of the Agency. The aforesaid appointment of the Tenant as agent of the Agency to acquire, renovate, construct and equip the Demised Premises 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 Tenant has received exemptions from sales and use taxes in an amount not to exceed \$650,000 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 Tenant if such activities and improvements are not completed by such time. The aforesaid appointment of the Tenant is subject to the execution of the documents contemplated by this resolution.

Section 6. The Tenant hereby agrees to comply with Section 875 of the Act. The Tenant further agrees that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Tenant as agent of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act.

Section 7. In consequence of the foregoing, the Agency hereby (i) approves the Tenant Sales and Use Tax Benefits, (ii) approves the subleasing of the Demised Premises by the Sublessee to the Tenant, (iii) will execute, deliver and perform the Tenant Equipment Lease Agreement, (iv) will execute, deliver and perform the Tenant Agency Compliance Agreement, and (v) authorizes the execution and delivery of such other related documents as may be necessary or appropriate to effect the provisions of this Resolution.

Section 8.

(a) The Chairman, Executive Director, and all members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Tenant Agency Compliance Agreements in the form(s) the Chairman, Executive Director or any member of the Agency shall approve, and such other related documents respectively, 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 including the Tenant Equipment Lease Agreement, the Tenant Agency Compliance Agreement (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.



(b) The Chairman, Executive Director and all members 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 9. Counsel to the Agency and Nixon Peabody LLP, Transaction Counsel to the Agency are hereby authorized and directed to prepare, for submission to the Agency, and all documents necessary to effect the consent to the subleasing of the Demised Premises and the Tenant Sales and Use Tax Benefits described in the foregoing resolution.

Section 7. The Chairman, the Executive Director and any member of the Agency are each hereby authorized and directed (i) to distribute copies of this resolution to the Tenant, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 8. 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 18th day of October, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 18th day of October, 2016.

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

**TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR OCTOBER 18, 2016**

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**AGENDA ITEM # 5**

**TYPE OF RESOLUTION: AUTHORIZING RESOLUTION**

**COMPANY: BAY SHORE MAIN & 4<sup>TH</sup>, LLC**

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

**JOBS (RETAINED/CREATED): RETAINED - 15 -  
CREATE - 30 -**

**INVESTMENT: \$10,200,000.00**

Date: October 18, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York on the 18th day of October, 2016 the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to a certain industrial development facility more particularly described below (Bay Shore Main & 4th LLC 2016 Facility) and the leasing of the facility to Bay Shore Main & 4th 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, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF BAY SHORE MAIN & 4TH LLC, A LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF BAY SHORE MAIN & 4TH 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, 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, Bay Shore Main & 4th 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 Bay Shore Main & 4th LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Town of Islip Industrial Development Agency (the “**Agency**”) to enter into a transaction in which the Agency will assist in the acquisition of an approximately 1.573 acre parcel of land located at 1-19 and 21-27 East Main Street, Bay Shore, New York 11706 (the “**Land**”), the renovation of two (2) existing buildings, totaling approximately 68,500 square feet located thereon, together with the acquisition, installation and equipping of improvements, structures and other related facilities attached to the Land (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and, together with the Land and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company, and used by the Company as a mixed-use facility to be subleased to various residential and commercial tenants (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on September 20, 2016 (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 October 1, 2016 or such other date as the Chairman or 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 Company Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of October 1, 2016 or such other date as the Chairman or 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 consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$18,955,000 but not to exceed \$21,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$316,710, 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); and

WHEREAS, as security for a loan or loans (as such term is defined in the Amended and Restated 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 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; and

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

(c) The acquisition, renovation and equipping of the Facility and the leasing and subleasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, renovation and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and

(f) 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; and

(g) It is desirable and in the public interest for the Agency to sublease the Land and the Improvements and to lease the Equipment to the Company; and

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

(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 Agreement may recapture some or all of the benefits granted to the Company; and

(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 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) 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 Company 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 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 is hereby authorized to acquire the Facility 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. The Agency is hereby further authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, renovating and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 6. 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 mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$18,955,000 but not to exceed \$21,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$316,710, 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), consistent with the policies of the Agency.

Section 7. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, renovate, 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, renovate, construct and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agent 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, 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 \$316,710 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 8. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act.

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

Section 10.

(a) The Chairman, Vice Chairman, 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 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 or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, 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 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 18th day of October, 2016, with the original thereof on file in my office,  
and that the same is a true and correct copy of the proceedings of the Agency and of such  
resolutions set forth therein and of the whole of said original insofar as the same related to  
the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 18th day of  
October, 2016.

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

## EXHIBIT A

### Proposed PILOT Benefits

Formula for In-Lieu-of-Taxes Payment: Town of Islip (including any existing incorporated village and any village which may be incorporated after the date thereof, within which the facility is wholly or partially located), Bay Shore School District, Suffolk County and appropriate Special Districts.

#### Definitions

X = \$418,000

Y = increase in assessment above X resulting from the improvement 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 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 10% Normal Tax Due on Y
5	100% Normal Tax Due on X and 20% Normal Tax Due on Y
6	100% Normal Tax Due on X and 30% Normal Tax Due on Y
7	100% Normal Tax Due on X and 40% Normal Tax Due on Y
8	100% Normal Tax Due on X and 50% Normal Tax Due on Y
9	100% Normal Tax Due on X and 60% Normal Tax Due on Y
10	100% Normal Tax Due on X and 70% Normal Tax Due on Y
11	100% Normal Tax Due on X and 80% Normal Tax Due on Y
12	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	

**TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR OCTOBER 18, 2016**

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**AGENDA ITEM # 6**

**TYPE OF RESOLUTION: AUTHORIZING RESOLUTION**

**COMPANY: CROWN ROYAL VENTURES, LLC**

**PROJECT LOCATION: 1545 OCEAN AVENUE,  
BOHEMIA, NEW YORK**

**JOBS (RETAINED/CREATED): RETAINED - 6 -  
CREATE - 6 -**

**INVESTMENT: \$1,975,000.00**

Date: October 18, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York on the 18th day of October, 2016 the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to a certain industrial development facility more particularly described below (Crown Royal Ventures, LLC 2016 Facility) and the leasing of the facility to Crown Royal Ventures, 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, RENOVATION, CONSTRUCTION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF CROWN ROYAL VENTURES, LLC, A LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF CROWN ROYAL VENTURES, 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, RENOVATING, 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, Crown Royal Ventures, 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 Crown Royal Ventures, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (the “**Company**”), has applied to the Town of Islip Industrial Development Agency (the “**Agency**”) to enter into a transaction in which the Agency will assist in the acquisition of an approximately 2.37 acre parcel of land located at 1545 Ocean Avenue, Bohemia, New York 11716 (the “**Land**”), the construction of an approximately 20,000 square foot building to be located thereon (the “**Improvements**”), and the equipping and furnishing thereof (the “**Equipment**”; and, together with the Land and the Improvements, the “**Facility**”), all to be leased by the Agency to the Company for further lease by the Company to various tenants (collectively, the “**Sublessees**”) for use by trades and entrepreneurs as a commercial multi-tenant industrial building; and

WHEREAS, the Agency, by resolution duly adopted on September 20, 2016 (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 October 1, 2016 or such other date as the Chairman or 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 Company Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of October 1, 2016 or such other date as the Chairman or 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 consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$1,500,000 but not to exceed \$2,500,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$59,620, 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); and

WHEREAS, as security for a loan or loans (as such term is defined in the Amended and Restated 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, construction and equipping of the Facility (collectively, the “**Loan Documents**”); 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; and

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



(c) The acquisition, renovation, construction and equipping of the Facility and the leasing and subleasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, renovation, construction and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and

(f) 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; and

(g) It is desirable and in the public interest for the Agency to sublease the Land and the Improvements and to lease the Equipment to the Company; and

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

(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 Agreement may recapture some or all of the benefits granted to the Company; and

(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 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) 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 Company 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 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 is hereby authorized to acquire the Facility 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. The Agency is hereby further authorized to execute and deliver the Loan Documents in connection with the financing of the costs of acquiring, renovating and equipping the Facility and any future Loan Documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating and equipping of the Facility without the need for any further or future approvals of the Agency.

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, renovation, 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 \$1,500,000 but not to exceed \$2,500,000 in connection with the financing of the acquisition, renovation, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating, constructing and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$59,620 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), consistent with the policies of the Agency.

Section 7. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, renovate, 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, renovate, construct and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agent 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, 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 \$59,620 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 8. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act.

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

Section 10.

(a) The Chairman, Vice Chairman, 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 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 or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, 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 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 18th day of October, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 18th day of October, 2016.

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

#### Definitions:

X = \$124,000

Y = increase in assessment above X resulting from the expansion of the Facility

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 (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), Connetquot School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

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



TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR OCTOBER 18, 2016

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**AGENDA ITEM # 7**

**TYPE OF RESOLUTION:** RESOLUTION AUTHORIZING

**COMPANY:** KREITZMAN AND KREITZMAN CPAs,  
PLLC/HAUPPAUGE OFFICE PARK

**PROJECT LOCATION:** 898 VETERANS MEMORIAL  
HWY, HAUPPAUGE

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

**INVESTMENT:** \$N/A

Date: October 18, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”) held on the 18th day of October, 2016, at Islip Town Hall, 655 Main Street, Islip, New York 11751, the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the consent to the subleasing of the Hauppauge Office Park Associates, LLC 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 PERTAINING TO THE  
CONSENT TO THE SUBLEASING OF THE HAUPPAUGE  
OFFICE PARK ASSOCIATES, LLC 2014 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 provided its assistance to Hauppauge Office Park Associates, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having a mailing address at 1520 Northern Boulevard, Manhasset, New York 11030 (the "**Company**") in the acquisition of approximately 25 acres of land located at 888 and 898 Veterans Highway, Hauppauge, Town of Islip, Suffolk County, New York (the "**Land**"), and the renovation and equipping of two buildings totaling approximately 220,000 square feet of space located thereon to make tenant fit-out improvements to provide incentives towards full occupancy by various lessees (collectively, the "**Improvements**"; and, together with the Land, the "**Facility**"), all to be leased by the Agency to the Company for further sublease by the Company to future tenants not yet determined (collectively, the "**Sublessees**"); 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

WHEREAS, the Agency currently leases 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 lessor, and the Company, as lessee; and

WHEREAS, the Company is currently subleasing a portion of the Facility known as Suite #300 in Building #2, located at 898 Veterans Highway (the "**Demised Premises**"), to Kreitzman and Kreitzman CPAS PLLC, having an office at 898 Veterans Memorial Highway, Suite 300, Hauppauge, New York 11788 (the "**Tenant**"), pursuant to certain Agreement of Lease, dated as of April 1, 2005, as modified by a certain First Extension of Term Agreement, dated June 21, 2011 (collectively, the "**Original Tenant Lease**"); and

WHEREAS, the Company and the Tenant have agreed, pending Agency approval, to enter into a certain Second Extension of Term Agreement, dated as of September 28, 2016 (the "**Amendment**"; and together with the Original Tenant Lease, the "**Tenant Lease**"), by and between the Company and the Tenant, for a term of eight (8) years and four (4) months,

commencing on November 1, 2016 and expiring on February 28, 2025, to be used as executive and administrative office space; and

WHEREAS, the Company has requested that the Agency consent to the continued subleasing of the Demised Premises to the Tenant; and

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

WHEREAS, such consent may be manifested by the execution and delivery of a Tenant Agency Compliance Agreement, 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, 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, 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, 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, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, 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 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 18th day of October, 2016, with the original thereof on file in my office,  
and that the same is a true and correct copy of the proceedings of the Agency and of such  
resolutions set forth therein and of the whole of said original insofar as the same related to  
the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 18th day of  
October, 2016.

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



**TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR SEPTEMBER 20, 2016**

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**AGENDA ITEM # 8**

**TYPE OF RESOLUTION:** AMEND AN AUTHORIZING  
RESOLUTION TO INCREASE THE PREVIOUSLY  
AUTHORIZED MORTGAGE AMOUNT AND THE  
MORTGAGE RECORDING TAX BENEFITS

**COMPANY:** AVCO INDUSTRIES, INC.

**PROJECT LOCATION:** 50 WINDSOR PLACE/120  
WINDSOR PLACE, CENTRAL ISLIP, NEW YORK

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

**INVESTMENT:** \$ N/A

Date: October 18, 2016

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at Islip Town Hall, 655 Main Street, Islip, New York on the 18th day of October, 2016 the following members of the Agency were:

Present:

Absent:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of title to a certain industrial development facility more particularly described below (Avco Industries Inc. 2016 Facility) and the leasing of the facility to Avco Industries Inc.

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

Voting Aye

Voting Nay

AMENDED RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF AVCO INDUSTRIES INC., A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF AVCO INDUSTRIES INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AS AGENT(S) 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, by resolution dated August 9, 2016 (the “**Authorizing Resolution**”), the Agency authorized a transaction with Avco Industries Inc., a business corporation, organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Avco Industries Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (the “**Company**”), in which the Agency will assist in (A) the acquisition of an approximately 2.0 acre parcel of land located at 50 Windsor Place, Central Islip, New York 11722 (the “**50 Windsor Land**”), the renovation of an approximately 10,000 square foot building located thereon (the “**50 Windsor Improvements**”), and the equipping thereof, including, but not limited to the purchase of fork lifts, racks, pallet jacks and paper cup converting and printing equipment (the “**50 Windsor Equipment**”; and, together with the 50 Windsor Land and the 50 Windsor Improvements, the “**50 Windsor Facility**”), and (B) the acquisition of an approximately 30,000 square foot building located on a 1.81 acre parcel of land located at 120 Windsor Place, Central Islip, New York 11722 (the “**120 Windsor Land**” and the “**120 Windsor Improvements**”), and the equipping thereof (the “**120 Windsor Equipment**”; and, together with the 120 Windsor Land and the 120 Windsor Improvements, the “**120 Windsor Facility**”; collectively, with the 50 Windsor Facility, the “**Facility**”), which Facility is to be leased by the Agency to, and used by the Company for its primary use as a manufacturing facility in its business of manufacturing, branding and printing of paper products, including paper plates, cups and bags for the fast food industry; and

WHEREAS, pursuant to the Authorizing Resolution, the Agency previously authorized financial assistance to the Company consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$1,850,000 but not to exceed \$2,000,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$47,438, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, (iii) abatement of real property taxes on the 50 Windsor Facility (as set forth in the PILOT Schedule attached as Exhibit A-1 to the Authorizing Resolution), and (iv) abatement of real property taxes on the 120 Windsor Facility (as set forth in the PILOT Schedule attached as Exhibit A-2 to the Authorizing Resolution); and

WHEREAS, the Agency has agreed to amend the Authorizing Resolution pursuant to this resolution to increase the amounts of certain financial assistance to be granted to the Company; and

WHEREAS, subject to the provisions of this resolution, the Agency may provide financial assistance to the Company consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$2,200,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$47,438, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, (iii) abatement of real property taxes on the 50 Windsor Facility (as set forth in the PILOT Schedule attached as Exhibit A-1 hereof), and (iv) abatement of real property taxes on the 120 Windsor Facility (as set forth in the PILOT Schedule attached as Exhibit A-2 hereof); 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; and

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

(c) The acquisition, renovation and equipping of the Facility and the leasing and subleasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, renovation and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and

(f) 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.

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. 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 mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$2,200,000 in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$47,438, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, (iii) abatement of real property taxes on the 50 Windsor Facility (as set forth in the PILOT Schedule attached as Exhibit A-1 hereof), and (iv) abatement of real property taxes on the 120 Windsor Facility (as set forth in the PILOT Schedule attached as Exhibit A-2 hereof).

Section 4. The Agency hereby ratifies and confirms all terms contemplated by the Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents.

Section 5. This resolution shall take effect immediately.

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town  
of Islip Industrial Development Agency (the “**Agency**”), including the resolutions contained  
therein, held on the 18th day of October, 2016, with the original thereof on file in my office,  
and that the same is a true and correct copy of the proceedings of the Agency and of such  
resolutions set forth therein and of the whole of said original insofar as the same related to  
the subject matters therein referred to.

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

IN WITNESS WHEREOF, I have hereunto set my hand as of the 18th day of  
October, 2016.

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



## EXHIBIT A-1

### Proposed PILOT Benefits for 50 Windsor Facility

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

#### 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 (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), Central Islip School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

2017/2018	100% Normal Tax Due on the taxable assessed value of \$35,500
2018/2019	100% Normal Tax Due on the taxable assessed value of \$39,050
2019/2020	100% Normal Tax Due on the taxable assessed value of \$42,600
2020/2021	100% Normal Tax Due on the taxable assessed value of \$46,150
2021/2022	100% Normal Tax Due on the taxable assessed value of \$49,700
2022/2023	100% Normal Tax Due on the taxable assessed value of \$53,250
2023/2024	100% Normal Tax Due on the taxable assessed value of \$56,800
2024/2025	100% Normal Tax Due on the taxable assessed value of \$60,350
2025/2026	100% Normal Tax Due on the taxable assessed value of \$63,900
2026/2027	100% Normal Tax Due on the taxable assessed value of \$67,450
2027/2028	100% Normal Tax Due on the full assessed value.

## EXHIBIT A-2

### Proposed PILOT Benefits for 120 Windsor Facility

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

#### 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 (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), Central Islip School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

2017/2018	100% Normal Tax Due on the taxable assessed value of \$107,500
2018/2019	100% Normal Tax Due on the taxable assessed value of \$118,250
2019/2020	100% Normal Tax Due on the taxable assessed value of \$129,000
2020/2021	100% Normal Tax Due on the taxable assessed value of \$139,750
2021/2022	100% Normal Tax Due on the taxable assessed value of \$150,500
2022/2023	100% Normal Tax Due on the taxable assessed value of \$161,250
2023/2024	100% Normal Tax Due on the taxable assessed value of \$172,000
2024/2025	100% Normal Tax Due on the taxable assessed value of \$182,750
2025/2026	100% Normal Tax Due on the taxable assessed value of \$193,500
2026/2027	100% Normal Tax Due on the taxable assessed value of \$204,250
2027/2028	100% Normal Tax Due on the full assessed value.