

**TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR MARCH 29, 2016**

AGENDA ITEM # 3

TYPE OF RESOLUTION: INDUCEMENT RESOLUTION

**COMPANY: PARAMOUNT LAND, LLC/AMERICA NY
RI WANG FOOD GROUP Co.**

PROJECT LOCATION: 30 INEZ AVENUE, BAY SHORE

**JOBS (RETAINED/CREATED): RETAINED 0
CREATE 57**

INVESTMENT: \$3,200,000.00



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

March 29, 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 March 8, 2016.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and **Paramount Land Realty, LLC./America NY Ri Wang Food Group Co.** Located at 30 Inez Avenue, Bay Shore, New York.
4. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **454 Realty, LLC.** Located at 4661 Veterans Memorial Highway, Holbrook, New York.
5. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and **1591 Smithtown Onyx, LLC/Continental Marble, Inc.** Located at 1591 Smithtown Avenue, Bohemia, New York.
6. To consider the adoption of a resolution that authorizes the Chairwoman or designee to enter into a contract with the **Center for Governmental Research (CGR)** for the annual administrative fee for **INFORM-ANALYTICS**.
7. To consider any other business that may come before the Agency.



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY

March 8, 2016

Meeting Minutes

1. The Meeting of the Town of Islip Industrial Development Agency was called to order on a motion by Councilman John Cochrane and seconded by Councilwoman Mary Kate Mullen. All members were present 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 meeting on February 9, 2016. On a motion by Councilwoman Trish Bergin Weichbrodt and seconded by Councilman John Cochrane, said motion was approved unanimously.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and 1591 Smithtown Onyx. LLC/Continental Marble, Inc. Located at 1591 Smithtown Ave, Bohemia. On a motion by Councilman John Cochrane and seconded by Councilman Steve Flotteron, said motion was approved unanimously.
4. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and 454 Realty, LLC. Located at 4661 Veterans Memorial Highway, Holbrook. On a motion by Councilman Steve Flotteron and seconded by Councilwoman Trish Bergin Weichbrodt, said motion was approved unanimously.
5. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and 239 South Fehr Way. Located at 239 South Fehr Way, Bay Shore. On a motion by Councilman John Cochrane and seconded by Councilman Steve Flotteron, said motion was approved unanimously.
6. To consider the adoption of an Authorizing Resolution between the Town of Islip Industrial Development Agency and Universal Photonics. Located at 85 Jetson Lane, Central Islip. On a motion by Councilwoman Mary Kate Mullen and seconded by Councilman Steve Flotteron, said motion was approved unanimously.
7. To consider the adoption of a resolution that authorizes an amendment to the PILOT agreement for United Baking (C U Properties/Cookies United), located at 141 Freeman Ave, Islip. On a motion by Councilman Steve Flotteron and seconded by Councilman John Cochrane, said motion was approved unanimously.
8. To consider any other business that may come before the Agency. Meeting adjourned by Councilman Cochrane and seconded by Councilwoman Trish Bergin Weichbrodt.

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING PARAMOUNT LAND REALTY LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF PARAMOUNT LAND REALTY LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING, AMERICA NEW YORK RI WANG FOOD GROUP CO. LTD, A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF AMERICA NEW YORK RI WANG FOOD GROUP CO. LTD AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AND RIWANG FOODSTUFF GROUP (USA) LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF RIWANG FOODSTUFF GROUP (USA) LLC, 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 THE FACILITY AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY.

WHEREAS, Paramount Land Realty LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Paramount Land Realty LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), America New York Ri Wang Food Group Co. Ltd, a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of America New York Ri Wang Food Group Co. Ltd and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, "**America Ri Wang**"), and RiWang Foodstuff Group (USA) 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 RiWang Foodstuff Group (USA) LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, "**RiWang Foodstuff**"; and together with America Ri Wang, the "**Sublessees**"), have applied to the Town of Islip Industrial Development Agency (the "**Agency**") to enter into a transaction in which the Agency will assist in: (a) the acquisition of an approximately 2.29 acre parcel of land located at 30 Inez Avenue, Bay Shore, New York 11706 (the "**Land**"), the renovation of an existing approximately 45,000 square foot building 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 "**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 Sublessees; (b) the acquisition and installation of certain equipment and personal property (the "**America Ri Wang Equipment**"), which America Ri Wang Equipment is to be leased by the Agency to the America Ri Wang; and (c) the acquisition and installation of certain equipment and personal property (the "**RiWang Foodstuff Equipment**"; and together with the America Ri Wang Equipment, the "**Equipment**"), which RiWang Foodstuff Equipment is to be leased by the Agency to RiWang

Foodstuff (the Company Facility and the Equipment are collectively referred to herein as the “**Facility**”), and which Facility is to be used by the Sublessees in their respective businesses as a manufacturer and distributor of gourmet Asian food; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Facility Equipment and the Equipment and will sublease and lease the Company Facility to the Company for further sublease to the Sublessees and will lease the Equipment to the Sublessees, all pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, 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, the Agency contemplates that it will provide financial assistance to the Company and the Sublessees consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing the principal amount presently estimated to be \$2,790,000 but not to exceed \$3,200,000 in connection with the financing or refinancing of the acquisition, renovation and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$8,625, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof), consistent with the policies of the Agency; 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, while the Company and the Sublessees have represented to the Agency that the approval of the Facility will result in the closure of a plant located at 58-95 58th Avenue, Maspeth, New York and the Agency would otherwise be prohibited from granting benefits pursuant to the provisions of Section 862 of the Act, based upon the representations of the Company and the Sublessees in the Application for financial assistance filed by the Company and the Sublessees with the Agency (the “**Application**”), the closure of the plant is reasonably necessary to discourage the Company and the Sublessees from removing such other plant to a location outside the State and therefore not subject to the prohibitions contained in Section 862 of the Act; and

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

transaction is necessary to maintain the competitive position of the Company and the Sublessees 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 has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the "Questionnaire") with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency.

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

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

Section 2. The acquisition, renovation and equipping of the Facility by the Agency, the leasing and subleasing of the Company Facility to the Company, the further subleasing of the Company Facility to the Sublessees, the leasing of the Equipment to the Sublessees 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 Sublessees.

Section 4. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company and the Sublessees in connection with the acquisition, renovation and equipping of the Facility: (i) exemptions from mortgage recording taxes for one or more mortgages securing the principal amount presently estimated to be \$2, 790,000 but not to exceed \$3,200,000 in connection with the financing or refinancing of the acquisition, renovation and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$8,625, in connection with the purchase or lease of equipment, building materials, services or other

personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof), consistent with the policies of the Agency.

Section 5. The Company and the Sublessees hereby agree to comply with Section 875 of the Act. The Company and Sublessees further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company and the Sublessees as agents of the Agency pursuant to the transactions contemplated by this resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and a recapture agreement.

Section 6. Counsel to the Agency is authorized and directed to work with Transaction Counsel (Nixon Peabody LLP) to prepare, for submission to the Agency, all documents necessary to affect the transfer of the real estate described in the foregoing resolution.

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

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

Section 9. This resolution shall take effect immediately.

ADOPTED: March 29, 2016

ACCEPTED: _____, 20__

PARAMOUNT LAND REALTY LLC

By: _____
Name:
Title:

**AMERICA NEW YORK RI WANG FOOD
GROUP CO. LTD**

By: _____
Name:
Title:

**RIWANG FOODSTUFF GROUP (USA)
LLC**

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 March 29, 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 March 29, 2016.

Assistant Secretary

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR MARCH 29, 2016

AGENDA ITEM # 4

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

COMPANY: 454 REALTY, LLC

**PROJECT LOCATION: 4661 VETERANS MEMORIAL
HIGHWAY, HOLBROOK**

**JOBS (RETAINED/CREATED): RETAINED 0
CREATE 30**

INVESTMENT: \$1.65 MILLION

Date: March 29, 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 29th day of March, 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, or an interest in, a certain industrial development facility more particularly described below (454 Realty LLC 2016 Facility) and the leasing of the facility to 454 Realty LLC.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY TO BE LEASED TO 454 REALTY LLC, A NEW YORK LIMITED LIABILITY COMPANY 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, 454 Realty LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of 454 Realty LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “Company”) has applied to enter into a transaction in which the Agency will assist in the acquisition of an approximately 1.358 acre parcel of land located at 4661 Veterans Memorial Highway, Hollbrook, New York (the “Land”), the construction, equipping and furnishing of an approximately 16,000 square foot, 2-story building located thereon (the “Equipment” and the “Improvements”; and together with the Land, 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 as a commercial multi-tenant office building, including the following as they relate to the appointment of the Company as agent of the Agency with respect to the acquisition, construction and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, construction and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, construction and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; 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 April 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 sublease and lease the Facility to the Company pursuant to a certain Lease Agreement, dated as of April 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 sales and use taxes in an amount not to exceed \$86,397.00, in connection with the purchase or lease of equipment, building materials, services or other personal property, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), consistent with the policies of the Agency; 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, in order to define the Company's obligations regarding payments-in-lieu-of taxes with respect to the Facility, the Agency and the Company will enter into a certain Payment-in-Lieu-of-Tax Agreement, dated as of April 1, 2016, or such date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the "**PILOT Agreement**"), pursuant to which the Company will make payments-in-lieu-of-taxes on the Facility; and

WHEREAS, in connection with the leasing and the subleasing of the Facility, the Agency, the Company will enter into a certain Recapture Agreement, dated as of April 1, 2016 or such date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the "**Recapture Agreement**"), by and between the Agency and the Company; and

WHEREAS, a portion of the Facility will be used primarily in making "retail sales" as defined in accordance with the provisions of Section 862(2)(a) of the Act to customers who will personally visit the Facility; and

WHEREAS, based upon the representations and warranties of the Company in the application for financial assistance filed by the Company to the Agency, dated January 19, 2016 (the "**Application**"), facilities and property that are primarily used in making retail sales of goods and services to customers who personally visit the Facility will not constitute more than one-third percent (1/3) of the total size of the Facility, so that the Facility will not violate the prohibition against providing financial assistance to retail facilities contained in Section 862(2)(a) of the Act, except as provided therein; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the 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, construction and equipping of the Facility, the leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and
- (d) The acquisition, construction and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and
- (e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and
- (f) 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 lease and sublease the Facility 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; and
- (j) The PILOT Agreement will be an effective instrument whereby the Agency and the Company set forth the terms and conditions of their agreement regarding the Company's payments in lieu of real property taxes; and
- (k) The Recapture Agreement will be an effective instrument whereby the Agency and the Company agree to provide for the obligations of the Company under the Transaction Documents (as defined in the Lease Agreement) and describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company and
- (l) The Environmental Compliance and Indemnification Agreement, dated as of April 1, 2016 or such other date as may be determined by the Chairman or the Executive Director of the Agency and counsel to the Agency (the “**Environmental Compliance and Indemnification Agreement**”), by and between the Agency and the Company will be an effective instrument whereby the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws.

Section 2. In consequence of the foregoing, the Agency hereby determines to:
(i) lease the Land and the Improvements from the Company pursuant to the Company Lease,

(ii) execute, deliver and perform the Company Lease, (iii) lease and sublease the Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) execute, deliver and perform the PILOT Agreement, (vi) execute, deliver and perform the Recapture Agreement, and (vii) execute and deliver the Environmental Compliance and Indemnification Agreement.

Section 3. 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 4. Reserved.

Section 5. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, construction and equipping of the Facility in the form of (i) exemptions from sales and use taxes in an amount not to exceed \$86,397.00, in connection with the purchase or lease of equipment, building materials, services or other personal property, and (ii) 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 6. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, renovate and equip the Facility. The Company is hereby empowered to delegate its status as agent of the Agency to its agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company may choose in order to acquire, renovate and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agents of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the Facility. This agency appointment expressly excludes the purchase by the Company of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The Company shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company, as agent of the Agency. The aforesaid appointment of the Company as agent of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company has received a total of exemptions from sales and use taxes in an amount of \$86,397.00, in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time. The aforesaid appointment of the Company is subject to the execution of the documents contemplated by this resolution.

Section 7. The Company 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 and the Recapture Agreement.

Section 8. The form and substance of the Company Lease, the Lease Agreement, the PILOT Agreement, the Recapture Agreement and the Environmental Compliance and Indemnification Agreement 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 9.

(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, the PILOT Agreement, the Recapture Agreement and the Environmental Compliance and Indemnification Agreement, 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, 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 10. 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 11. 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 29th day of March, 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 29th day of March,
2016.

By: _____
 Assistant Secretary

EXHIBIT A

Form of 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 hereof, within which the Facility is wholly or partially located), Sachem School District, Suffolk County and Appropriate Special Districts

Definitions

X = \$49,000

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

Normal Tax Due = Those payments for taxes and assessments, 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) which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

Payment

Tax Year (following first taxable status date after the election by Company, more specifically set forth in paragraph 1(c) of the PILOT Agreement)

Formula

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 MARCH 29, 2016

AGENDA ITEM # 5

TYPE OF RESOLUTION: AUTHORIZING RESOLUTION

**COMPANY: 1591 SMITHTOWN ONYX,
LLC/CONTINENTAL MARBLE, INC.**

**PROJECT LOCATION: 1591 SMITHTOWN AVENUE,
BOHEMIA**

**JOBS (RETAINED/CREATED): RETAINED 35
CREATE 7**

INVESTMENT: \$2,505,000

Date: March 29, 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 29th day of March, 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, or an interest in, a certain industrial development facility more particularly described below (1591 Smithtown Onyx, LLC/Continental Marble, Inc. 2016 Facility) and the leasing of the facility to 1591 Smithtown Onyx, LLC for further sublease to Continental Marble, Inc.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY TO BE LEASED TO 1591 SMITHTOWN ONYX, LLC, A NEW YORK LIMITED LIABILITY COMPANY AND TO BE SUBLEASED TO CONTINENTAL MARBLE, INC., A NEW YORK BUSINESS CORPORATION 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, 1591 Smithtown Onyx, 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 1591 Smithtown Onyx, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") and Continental Marble, 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 Continental Marble, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Sublessee"), have applied to enter into a transaction in which the Agency will assist in (a) the acquisition of an approximately 1.3 acre parcel of land located at 1591 Smithtown Avenue, Bohemia, New York 11716 (the "Land"), the renovation of an approximately 18,382 square foot building located thereon (the "Improvements") and the acquisition and installation therein of certain equipment not part of the Equipment (as such term is defined herein) (the "Facility Equipment"; and, together with the Land and the Improvements, the "Company Facility"), which Company Facility is to be leased and subleased 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 including, but not limited to specialty saws and equipment for processing (collectively, the "Equipment"), which Equipment is to be leased by the Agency to the Sublessee (the Company Facility and the Equipment are collectively referred to herein as the "Facility"), and which Facility is to be used by the Sublessee as office, manufacturing and warehouse space in its business as a stone and tile contracting and manufacturing company, including the following as they relate to the appointment of the Company and the Sublessee as agent(s) of the Agency with respect to the acquisition, renovation and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; 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 April 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 sublease and lease the Company Facility to the Company pursuant to a certain Lease Agreement, dated as of April 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 will lease the Equipment to the Sublessee pursuant to a certain Equipment Lease Agreement, dated as of April 1, 2016 or such other date as the Chairman or Executive Director of the Agency and counsel to the Agency shall agree (the “**Equipment Lease Agreement**”), by and between the Agency and the Sublessee; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing the principal amount presently estimated to be \$2,142,000 but not to exceed \$3,000,000 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 \$10,785, in connection with the purchase or lease of equipment, building materials, services or other personal property, 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; 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, in order to define the Company and the Sublessee’s obligations regarding payments-in-lieu-of taxes with respect to the Facility, the Agency, the Company and the Sublessee will enter into a certain Payment-in-Lieu-of-Tax Agreement, dated as of April 1, 2016, or such date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**PILOT Agreement**”), pursuant to which the Company and the Sublessee will make payments-in-lieu-of-taxes on the Facility; and

WHEREAS, in connection with the leasing and the subleasing of the Facility, the Agency, the Company and the Sublessee will enter into a certain Recapture Agreement, dated as of April 1, 2016 or such date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**Recapture Agreement**”), by and among the Agency, the Company and the Sublessee; and

WHEREAS, as security for a loan or loans, the Agency and the Company will execute and deliver to BankUnited, N.A., or such other lender as may be 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 Company and the Sublessee have 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 and the Sublessee:

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 Company Facility, the leasing of the Company Facility to the Company, the subleasing of the Company Facility by the Company to the Sublessee, and the acquisition and installation of the Equipment and the leasing of the Equipment to the Sublessee 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 and the Sublessee to maintain and expand their respective business operations in the State of New York; and

(e) Based upon representations of the Company and the Sublessee and counsel to the Company and the Sublessee, 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 lease and sublease the Company Facility to the Company and to lease the Equipment to the Sublessee; 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 Company Facility to the Company; and

(j) The Equipment Lease Agreement will be an effective instrument whereby the Agency leases the Equipment to the Sublessee; and

(k) The PILOT Agreement will be an effective instrument whereby the Agency, the Company and the Sublessee set forth the terms and conditions of their agreement regarding the Company's and the Sublessee's payments in lieu of real property taxes; and

(l) The Recapture Agreement will be an effective instrument whereby the Agency, the Company and the Sublessee agree to provide for the obligations of the Company and the Sublessee under the Transaction Documents (as defined in the Lease Agreement) and describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company and the Sublessee; and

(m) The Environmental Compliance and Indemnification Agreement, dated as of April 1, 2016 or such other date as may be determined by the Chairman or the Executive Director of the Agency and counsel to the Agency (the "**Environmental Compliance and Indemnification Agreement**"), by and among the Agency, the Company and the Sublessee will be an effective instrument whereby the Company and the Sublessee agree to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws; and

(n) The Agency Compliance Agreement, dated as of April 1, 2016 or such other date as may be determined by the Chairman or the Executive Director of the Agency and counsel to the Agency (the "**Agency Compliance Agreement**"), between the Agency and the Sublessee will be an effective instrument whereby the Sublessee will provide certain assurances to the Agency with respect to the Lease Agreement.

(o) 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. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) lease and sublease the Company Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) lease the Equipment to the Sublessee pursuant to the Equipment Lease Agreement, (vi) execute, deliver and perform the Equipment Lease Agreement, (vii) execute, deliver and perform the PILOT Agreement, (viii) execute, deliver and perform the Recapture Agreement, (ix) execute and deliver the Environmental Compliance and Indemnification Agreement, (x) execute and deliver the Agency Compliance Agreement, (xi) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (xii) execute, deliver and perform the Loan Documents to which the Agency is a party.

Section 3. 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, the personal property described in Exhibit A to the Equipment 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 4. 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 5. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company and the Sublessee 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 the principal amount presently estimated to be \$2,142,000 but not to exceed \$3,000,000 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 \$10,785, in connection with the purchase or lease of equipment, building materials, services or other personal property, 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 6. Subject to the provisions of this resolution, the Company and the Sublessee are herewith and hereby appointed the agents of the Agency to acquire, renovate and equip the Facility. The Company and the Sublessee are hereby empowered to delegate their respective status as agent of the Agency to their respective agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company and the Sublessee may choose in order to acquire, renovate and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company and the Sublessee as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company and the Sublessee, as agents 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 and the Sublessee 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 and the Sublessee 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 and the Sublessee, as agent of the Agency. The aforesaid appointment of the Company and the Sublessee as agents of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or

(c) the date on which the Company and/or the Sublessee have received a total of exemptions from sales and use taxes in an amount of \$10,785, 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 and/or the Sublessee if such activities and improvements are not completed by such time. The aforesaid appointment of the Company and the Sublessee is subject to the execution of the documents contemplated by this resolution.

Section 7. 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 Authorizing Resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the Recapture Agreement.

Section 8. The form and substance of the Company Lease, the Lease Agreement, the Equipment Lease Agreement, the PILOT Agreement, the Recapture Agreement, the Environmental Compliance and Indemnification Agreement, the Agency Compliance 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 9.

(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, the Equipment Lease Agreement, the PILOT Agreement, the Recapture Agreement, the Environmental Compliance and Indemnification Agreement, the Agency Compliance 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, 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 10. 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 11. 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 29th day of March, 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 29th day of March, 2016.

By: _____
 Assistant Secretary

EXHIBIT A

Form of 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

Formula: 10-year abatement starting at 50% increasing 5% annually

Tax Year

2016/2017	100% normal tax on the taxable assessed value of \$72,850
2017/2018	100% normal tax on the taxable assessed value of \$80,135
2018/2019	100% normal tax on the taxable assessed value of \$87,420
2019/2020	100% normal tax on the taxable assessed value of \$94,705
2020/2021	100% normal tax on the taxable assessed value of \$101,990
2021/2022	100% normal tax on the taxable assessed value of \$109,275
2022/2023	100% normal tax on the taxable assessed value of \$116,560
2023/2024	100% normal tax on the taxable assessed value of \$123,845
2024/2025	100% normal tax on the taxable assessed value of \$131,130
2025/2026	100% normal tax on the taxable assessed value of \$138,415
2026/2027	100% normal tax on the taxable assessed value of \$145,700

TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
AGENDA ITEMS FOR MARCH 29, 2016

AGENDA ITEM # 6

TYPE OF RESOLUTION: RESOLUTION TO ADOPT
(CGR) CONTRACT

COMPANY: CENTER FOR GOVERNMENTAL
RESEARCH/INFORM-ANALYTICS

PROJECT LOCATION:

JOBS (RETAINED/CREATED):

INVESTMENT: \$750.00

March 29, 2016

WHEREAS, the Town of Islip Industrial Development Agency (IDA) is required by NYS Law to conduct a cost benefit analysis for all proposed IDA projects, and

WHEREAS, the Center for Governmental Research (CGR) has developed a web based economic impact modeling tool known as INFORM ANALYTICS that can be used for cost benefit analysis purposes, and

WHEREAS, INFORM ANALYTICS requires web hosting and ongoing maintenance including regular updates to the baseline parameters, and

WHEREAS, CGR is willing to provide hosting and maintenance services to the Town of Islip IDA;

NOW, THEREFORE, on a motion of _____, seconded by
_____; be it

RESOLVED, that the Chairperson of the Agency, or her designee, is hereby authorized to enter into a contract with the Center for Governmental Research to host and maintain the economic impact model known as INFORM ANALYTICS, allowing it to be continuously available to the Town of Islip IDA for the duration of the contract.

UPON a vote being taken the result was:

March 4, 2016

Mr. William Mannix
Executive Director
Town of Islip IDA
40 Nassau Avenue
Islip, NY 11751



Dear Mr. Mannix,

CGR is preparing the 2016 update to your informANALYTICS cost benefit model. As IA enters its fourth year of widespread use, we now have over 30 users from across New York State. We are anticipating beta testing version 2.0 of the software shortly. Once it is released you will have access to this improved model.

In the meantime, we have begun to update tax rates and review the model parameters of the 1.0 model. As part of that process, we are sending this letter, contract and invoice to you for the annual maintenance agreement. This will cover the 2016 calendar year. The contract and pricing will include the following:

- CGR will continue to host the web based economic impact model on its data servers allowing the model to be continuously available to Town of Islip IDA for the duration of the agreement.
- CGR will also agree to update the economic impact model's parameters once during the duration of the agreement.
- CGR will provide up to two hours of technical assistance on the model and/or questions of economic impact related to projects that are entered into the model for the duration of the agreement.

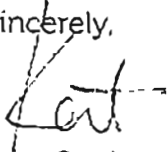
We have based 2016 pricing on the number of times the model has been used by your IDA to review a new project (a number we track). This is not based on the number of times incentives were actually offered, but the number of times you used informANALYTICS to create a new project. We have maintained our 2015 pricing which is:

- \$250 – 0-5 analyses
- \$500 – 6-10
- \$750 – 11 or more

Since your IDA used informANALYTICS 21 times in 2015, your fee would be \$750. The duration of the agreement will be for 1-year beginning January 1, 2016. We've included a formal agreement that should be signed by you and returned with your payment by March 15, 2016. We'll sign and return one copy to you for your records.

Please do not hesitate to contact either of us with any questions.

Sincerely,



Kent Gardner
Chief Economist
kgardner@cgr.org
(585) 466-4273



Mike Silva
Data Analyst
msilva@cgr.org
(585) 327-7072

ECONOMIC IMPACT HOSTING AND MAINTENANCE AGREEMENT

This Agreement is made effective as of 1/1/2016, by and between CGR (Center for Governmental Research Inc.), of One South Washington Street, Suite 400, Rochester, NY 14614 and Town of Islip IDA, 40 Nassau Avenue, Islip, NY 11751.

In this Agreement, the party who is contracting to receive services shall be referred to as "Town of Islip IDA", and the party who will be providing the services shall be referred to as "CGR."

- Whereas CGR has developed a web based economic impact modeling tool that requires web hosting and ongoing maintenance including regular updates to the baseline data parameters, and

Whereas CGR is willing to provide hosting and maintenance services to Town of Islip IDA;

Therefore, CGR proposes the following agreement with Town of Islip IDA to facilitate the web hosting and maintenance:

Section 1. DESCRIPTION OF SERVICES

Between January 1, 2016 and December 31, 2016, CGR will provide the following services (collectively, the "Services"):

- CGR will host the web based economic impact model on its data servers allowing the model to be continuously available to Town of Islip IDA for the duration of the agreement.
- CGR will also agree to keep the economic impact model updated with the most current/relevant data parameters for the duration of the agreement.
- CGR will provide technical assistance on the model and/or questions of economic impact related to projects that are entered into the model for up to but not to exceed 2 hours for the duration of the agreement.

Section 2. PAYMENT

Town of Islip IDA will pay CGR \$750 (Seven Hundred Fifty Dollars) for the contract year for the services described in section 1.

Section 3. PAYMENT TERMS

CGR payment terms are net 10 days after the agreement is signed.

Section 4. NOTICES

All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid addressed as follows:

If for CGR:

Joseph Stefko
President and CEO
One South Washington Street, Suite 400
Rochester, NY 14614

If for Town of Islip IDA:

William Mannix
Executive Director
40 Nassau Avenue
Islip, NY 11751

Such addresses may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

Section 5. ENTIRE AGREEMENT

This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written.

This Agreement supersedes any prior written or oral agreements between the parties.

Section 6. AMENDMENT

This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

Section 7. SEVERABILITY

If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court

finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

Section 8. WAIVER OF CONTRACTUAL RIGHT

The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

Section 9. APPLICABLE LAW

This Agreement shall be governed by the laws of the State of New York.

Party Providing Services

CGR

Joseph Stefko
President and CEO

Date

Party Receiving Services

Town of Islip IDA

William Mannix
Executive Director

Date