



MEETING OF THE TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY

March 8, 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 February 9, 2016.
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 Avenue, Bohemia.
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.
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.
6. To consider the adoption of a resolution that authorizes the refinancing of the **Universal Photonics** facility, located at 85 Jetson Lane, Central Islip.
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.
8. To consider any other business that may come before the Agency.

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR MARCH 8, 2016

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**AGENDA ITEM # 2**

**TYPE OF RESOLUTION:** APPROVE THE FEBRUARY 9,  
2016 IDA MEETING MINUTES

**COMPANY:** N/A

**PROJECT LOCATION:** N/A

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

**INVESTMENT:** N/A



MEETING OF THE TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
February 9, 2016  
Meeting 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 Flotteron and seconded by Councilman Cochrane. 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 January 20, 2016. On a motion by Councilman Flotteron and seconded by Councilman Cochrane, said motion was approved unanimously.
3. To consider the adoption of an Inducement Resolution between the Town of Islip Industrial Development Agency and 239 South Fehr Way, LLC. Located at 239 South Fehr Way, Bay Shore. On a motion by Councilwoman Bergin Weichbrodt and seconded by Councilman Cochrane, said motion was approved unanimously.
4. To consider any other business that may come before the Agency. Meeting adjourned by Councilman Cochrane and seconded by Councilman Flotteron.

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR MARCH 8, 2016

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**AGENDA ITEM # 3**

**TYPE OF RESOLUTION: INDUCEMENT RESOLUTION**

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

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

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

**INVESTMENT: \$2,505,000.00**

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING 1591 SMITHTOWN ONYX, LLC, A LIMITED LIABILITY COMPANY, 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 THE FOREGOING AND CONTINENTAL MARBLE, INC., A BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF CONTINENTAL MARBLE, 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, 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 the Town of Islip Industrial Development Agency (the "**Agency**") to enter into a transaction in which the Agency will assist in 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; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and Improvements and title to the Facility Equipment and the Equipment and will lease and sublease the Company Facility to the Company for further sublease by the Company 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, if applicable, 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 transaction is either an inducement to the Company and the Sublessee to maintain and expand 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 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 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 leasing of the Company Facility to the Company, the subleasing thereof 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 the Company Facility to the Company, and (iii) lease the Equipment to the Sublessee.

Section 4. Notwithstanding the foregoing provisions hereof, this resolution is subject to the Company and the Sublessee obtaining any necessary site plan approvals, zoning variances or approvals and building permits for the acquisition, construction, equipping, and operation of the Facility.

Section 5. 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 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, including expenses of Transaction Counsel, shall be paid by the Company and/or 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 9. This resolution shall take effect immediately.

ADOPTED: March 8, 2016

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

**1591 SMITHTOWN ONYX, LLC**

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

**CONTINENTAL MARBLE, 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 March 8, 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 8, 2016.

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Assistant Secretary

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR MARCH 8, 2016

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**AGENDA ITEM # 4**

**TYPE OF RESOLUTION: INDUCEMENT RESOLUTION**

**COMPANY: 454 REALTY, LLC**

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

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

**INVESTMENT: \$1.65 MILLION**

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING 454 REALTY LLC, A LIMITED LIABILITY COMPANY 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 AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING AND EQUIPPING THE FACILITY AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY

WHEREAS, 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 (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 1.358 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; and

WHEREAS, the Agency will acquire an interest in and to the Facility and will lease the Facility to the Company, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 47 of the Laws of 1974 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”); and

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

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

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

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

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

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

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

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

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

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

WHEREAS, the Questionnaire has been reviewed by the Agency.

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

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

Section 2. The acquisition, construction, equipping and furnishing of the Facility by the Agency, the leasing thereof to the Company and the provision of financial assistance pursuant to the Act will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Islip and the people of the State of New

York and improve their standard of living, and thereby serve the public purposes of the Act, and the same is, therefore, approved.

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

Section 4. 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 resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and a recapture agreement.

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

Section 6. Notwithstanding the foregoing provisions hereof, this resolution is subject to the Company obtaining any necessary site plan approvals, zoning variances or approvals and building permits for the acquisition, construction, equipping, and operation of the Facility.

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

Section 9. This resolution shall take effect immediately.

ADOPTED: March 8, 2016

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

**454 REALTY 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 8, 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 8, 2016.

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Assistant Secretary



TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR MARCH 8, 2016

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**AGENDA ITEM # 5**

**TYPE OF RESOLUTION: AUTHORIZING RESOLUTION**

**COMPANY: 239 SOUTH FEHR WAY, LLC**

**PROJECT LOCATION: 239 SOUTH FEHR WAY, BAY  
SHORE**

**JOBS (RETAINED/CREATED):  
RETAINED 35/CREATED 17**

**INVESTMENT: \$2,500,000.00**

Date: March 8, 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 8th 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 a certain industrial development facility more particularly described below (239 South Fehr Way LLC/Cable Management Solutions, Inc./A 1 Furniture Services Inc. 2016 Facility) and the leasing of the facility to 239 South Fehr Way LLC for further subleasing to Cable Management Solutions, Inc. and A 1 Furniture Services Inc.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND APPROVING THE APPOINTMENT OF 239 SOUTH FEHR WAY LLC, A NEW YORK LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF 239 SOUTH FEHR WAY LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING, CABLE MANAGEMENT SOLUTIONS, INC. D/B/A SNAKE TRAY, A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF CABLE MANAGEMENT SOLUTIONS, INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AND A 1 FURNITURE SERVICES INC. D/B/A GUNDY POWDER COATING, A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF A 1 FURNITURE SERVICES INC., 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, 239 South Fehr Way 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 239 South Fehr Way LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “Company”), Cable Management Solutions, Inc. d/b/a Snake Tray, a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Cable Management Solutions, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, “Snake Tray”), and A 1 Furniture Services Inc. d/b/a Gundy Powder Coating, a business corporation organized and existing under the laws of the state of New York, on behalf of itself and/or the principals of A 1 Furniture Services Inc. and/or an entity formed or to be formed on behalf of any of the

foregoing (collectively, “**Gundy Powder**”; and together with Snake Tray, 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 the acquisition of an approximately 2.1 acre parcel of land located at 239 South Fehr Way, Bay Shore, New York 11706 (the “**Land**”), the renovation of an existing approximately 46,000 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 “**Equipment**”; and, together with the Land and the Improvements, the “**Facility**”), which Facility will be leased by the Agency to the Company, and subleased by the Company to the Sublessees and an existing tenant, including the following as they relate to the appointment of the Company and the Sublessees 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 March 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 March 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 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 an amount presently estimated to be \$2,000,000 but not to exceed \$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, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof); and

WHEREAS, in order to define the Company’s and Sublessees’ obligations regarding payments-in-lieu-of taxes with respect to the Facility, the Agency, the Company and the

Sublessees will enter into a certain Payment-in-Lieu-of-Tax Agreement, dated as of March 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 Sublessees 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 Sublessees will enter into a certain Recapture Agreement, dated as of March 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**”), among the Agency, the Company and the Sublessees; and

WHEREAS, the Company, the Sublessees and the Agency will enter into a certain Environmental Compliance and Indemnification Agreement, dated as of March 1, 2016 or such other date as may be determined by the Chairman or 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 Sublessees, whereby the Company and the Sublessees will 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 such laws; and

WHEREAS, Snake Tray and the Agency will enter into a certain Agency Compliance Agreement, dated as of March 1, 2016 or such other date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**Snake Tray Agency Compliance Agreement**”), whereby Snake Tray will provide certain assurances to the Agency with respect to the Facility; and

WHEREAS, Gundy Powder and the Agency will enter into a certain Agency Compliance Agreement, dated as of March 1, 2016 or such other date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**Gundy Powder Agency Compliance Agreement**”), whereby Gundy Powder will provide certain assurances to the Agency with respect to the Facility; and

WHEREAS, as security for a loan or loans (as such term is defined in the Lease Agreement), the Agency and the Company will execute and deliver to a lender or lenders not yet determined (collectively, the “**Lender**”), a mortgage or mortgages, and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required by the Lender, to be dated a date to be determined, in connection with the financing, any refinancing or permanent financing of the costs of the acquisition, renovation and equipping of the Facility (collectively, the “**Loan Documents**”); and

WHEREAS, the Company and the Sublessees 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 further subleasing of the Facility by the Company to the Sublessees.

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 and the Sublessees to maintain and expand their respective business operations in the State of New York; and

(e) Based upon representations of the Company and the Sublessees and counsel to the Company and the Sublessees, 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; and

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

(k) The Recapture Agreement will be an effective instrument whereby the Agency, the Company and the Sublessees agree to provide for the obligations of the Company and the Sublessees 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 Sublessees; and

(l) The Environmental Compliance and Indemnification Agreement will be an effective instrument whereby the Company and the Sublessees 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

(m) The Snake Tray Agency Compliance Agreement will be an effective instrument whereby Snake Tray will provide certain assurances to the Agency with respect to the Facility; and

(n) The Gundy Powder Agency Compliance Agreement will be an effective instrument whereby Gundy Powder will provide certain assurances to the Agency with respect to the Facility; and

(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) sublease and lease 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 and deliver the Recapture Agreement, (vii) execute and deliver the Environmental Compliance and Indemnification Agreement, (viii) execute and deliver the Snake Tray Agency Compliance Agreement, (ix) execute and deliver the Gundy Powder Agency Compliance Agreement, (x) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (xi) execute and deliver 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 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 Sublessees 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 \$2,000,000 but not to exceed \$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, 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 and the Sublessees are herewith and hereby appointed the agents of the Agency to acquire, renovate and equip the Facility. The Company and the Sublessees 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 Sublessees 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 Sublessees 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 Sublessees, 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 Sublessees 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 Sublessees 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 Sublessees, as agent of the Agency. The aforesaid appointment of the Company and the Sublessees 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 has received exemptions from sales and use taxes in an amount not to exceed \$0.00 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 and/or the Sublessees if such activities and improvements are not completed by such time. The aforesaid appointment of the Company and the Sublessees is subject to the execution of the documents contemplated by this resolution.

Section 7. The Company and the Sublessees hereby agree to comply with Section 875 of the Act. The Company and the 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 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, the Environmental Compliance and Indemnification Agreement, the Snake Tray Agency Compliance Agreement, the Gundy Powder 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 PILOT Agreement, the Recapture Agreement, the Environmental Compliance and Indemnification Agreement, the Snake Tray Agency Compliance Agreement, the Gundy Powder 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 8th 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 8th day of March, 2016.

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

EXHIBIT A

Proposed PILOT Benefits

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

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, Village of Bay Shore (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), Brentwood School District, Suffolk County which are or may be imposed for special improvements or special district improvements, that the Company and the Sublessees would pay without exemption.

Year 1	100% Normal Tax Due on the taxable assessed value of \$148,800
Year 2	100% Normal Tax Due on the taxable assessed value of \$163,680
Year 3	100% Normal Tax Due on the taxable assessed value of \$178,560
Year 4	100% Normal Tax Due on the taxable assessed value of \$193,440
Year 5	100% Normal Tax Due on the taxable assessed value of \$208,320
Year 6	100% Normal Tax Due on the taxable assessed value of \$223,200
Year 7	100% Normal Tax Due on the taxable assessed value of \$238,080
Year 8	100% Normal Tax Due on the taxable assessed value of \$252,960
Year 9	100% Normal Tax Due on the taxable assessed value of \$267,840
Year 10	100% Normal Tax Due on the taxable assessed value of \$282,720
Year 11	Full Taxation
and thereafter	

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR MARCH 8, 2016

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**AGENDA ITEM # 6**

**TYPE OF RESOLUTION: AUTHORIZING RESOLUTION  
FOR REFINANCING**

**COMPANY: UNIVERSAL PHOTONICS**

**PROJECT LOCATION: 85 JETSON LANE, CENTRAL  
ISLIP**

**JOBS (RETAINED/CREATED):**

**INVESTMENT: \$**

Date: March 8, 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 8th 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 take action on a proposed mortgage financing and the execution of related loan documents in connection with a certain industrial development facility more particularly described below (Facilities Realty Management-Jetson, LLC/Universal Photonics, Inc. 2014 Facility) and approving the execution and delivery of related documents.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING MORTGAGE FINANCING AND THE EXECUTION AND DELIVERY OF LOAN DOCUMENTS IN CONNECTION THEREWITH FOR FACILITIES REALTY MANAGEMENT-JETSON, LLC/UNIVERSAL PHOTONICS, INC. 2014 FACILITY AND APPROVING THE FORM, SUBSTANCE, EXECUTION AND DELIVERY OF SUCH RELATED DOCUMENTS

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

WHEREAS, the Agency has previously provided assistance to Facilities Realty Management-Jetson, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the “**Company**”), and Universal Photonics, Inc., a business corporation duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of New York (the “**Sublessee**”), in (a) the acquisition of an approximately 3.41 acre parcel of land located at 85 Jetson Lane, Central Islip, New York 11722 (the “**Land**”), and the renovation of an approximately 55,100 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 below) (the “**Facility Equipment**”; and, together with the Land and the Improvements, the “**Company Facility**”), all being leased and subleased by the Agency to the Company and sub-subleased by the Company to the Sublessee, and (b) the acquisition and installation of certain equipment and personal property (the “**Equipment**”), which Equipment is leased by the Agency to the Sublessee for its international headquarters, warehouse operations and the distribution of polishing products (the Company Facility and the Equipment are collectively referred to herein as the “**Facility**”); and

WHEREAS, the Company is leasing the Land and the Improvements to the Agency pursuant to a certain Company Lease Agreement, dated as of July 1, 2014 (the “**Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency is leasing the Facility to the Company pursuant to a certain Lease Agreement, dated as of July 1, 2014 (the “**Lease Agreement**”), by and between the Agency, as lessor and the Company, as lessee; and

WHEREAS, the Company is subleasing the Facility to the Sublessee pursuant to a Sublease Agreement, dated July 30, 2014 (the “**Sublease Agreement**”), by and between the Company, as sublessor and the Sublessee, as sublessee; and

WHEREAS, as security for the Loan (as such term is defined in the Lease Agreement), the Agency and the Company executed and delivered to TD Bank, N.A. (the

“Lender”), a Fee and Leasehold Mortgage and Security Agreement, dated July 30, 2014 (the “Original Mortgage”), securing the principal amount of \$2,680,000, from the Company and the Agency to the Lender; and

WHEREAS, the Company has now requested that the Agency consent to enter into a refinancing with the Lender with respect to the Facility in the aggregate principal amount presently expected to be \$4,000,000 but not to exceed \$4,400,000 (the “2016 Loan”); and

WHEREAS, the proceeds of the 2016 Loan will be used to satisfy the Loan secured by the Original Mortgage; and

WHEREAS, as security for such 2016 Loan being made to the Company by the Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the Lender one or more mortgages and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the Lender (the “2016 Loan Documents”); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes securing the principal amount presently estimated to be \$4,000,000 but not to exceed \$4,400,000 in connection with the financing or refinancing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping the Facility; and

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

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

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

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act.
- (b) The Facility continues to constitute a “project” as such term is defined in the Act.
- (c) The financing or refinancing of the acquisition, renovation and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Islip, Suffolk

County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.

- (d) The financing or refinancing of the acquisition, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (e) Based upon representations of the Company and counsel to the Company, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Islip and all regional and local land use plans for the area in which the Facility is located.
- (f) It is desirable and in the public interest for the Agency to assist in the refinancing of the acquisition, renovation and equipping of the Facility.
- (g) The 2016 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2016 Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency's Unassigned Rights as defined therein).

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage on and security interest in and to the Facility pursuant to a certain mortgage and security agreement for the benefit of the Lender (the "**2016 Mortgage**"), (ii) execute, deliver and perform the 2016 Mortgage, and (iii) execute, deliver and perform the 2016 Loan Document to which the Agency is a party, as may be necessary or appropriate to effect the 2016 Loan or any subsequent refinancing of the 2016 Mortgage.

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2016 Loan Documents and the 2016 Mortgage, and such other related documents as may be necessary or appropriate to effect the 2016 Loan, or any subsequent refinancing of the 2016 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver any future documents in connection with any future refinancing or permanent financing of such costs of acquiring, renovating and equipping of the Facility without need for any further or future approvals of the Agency.

Section 4.

(a) Subject to the provisions of this resolution and the Lease Agreement; the Chairman, Executive Director, and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the 2016 Mortgage and 2016 Loan Documents, together with such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**").



The execution thereof by the Chairman, Executive Director, or any member of the Agency shall constitute conclusive evidence of such approval; and

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

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

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

Section 9. This resolution shall take effect immediately.

ADOPTED: March 8, 2016

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

**FACILITIES REALTY  
MANAGEMENT-JETSON, LLC**

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

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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the "Agency"), including the resolutions contained therein, held on March 8, 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 8th day of March, 2016.

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

TOWN OF ISLIP  
INDUSTRIAL DEVELOPMENT AGENCY  
AGENDA ITEMS FOR MARCH 8, 2016

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**AGENDA ITEM # 7**

**TYPE OF RESOLUTION:** AUTHORIZING RESOLUTION  
FOR AN AMENDMENT TO PILOT AGREEMENT

**COMPANY:** UNITED BAKING (C U  
PROPERTIES/COOKIES UNITED)

**PROJECT LOCATION:** 141 FREEMAN AVE, ISLIP

**JOBS (RETAINED/CREATED):**

**INVESTMENT:** \$

Date: March 8, 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 8th 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 the modification of payment-in-lieu-of-tax benefits with respect to a certain industrial development facility more particularly described below (C U Properties LLC/Cookies United LLC 2014 Facility) and the amendment and restatement of certain documents in connection therewith.

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 MODIFICATION OF PAYMENT-IN-LIEU-OF-TAX BENEFITS WITH RESPECT TO THE C U PROPERTIES LLC/COOKIES UNITED LLC 2014 FACILITY THE AMENDMENT AND RESTATEMENT OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH, 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 the same may be amended from time to time (collectively, the “**Act**”), the Town of Islip Industrial Development Agency (the “**Agency**”), was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency previously provided its assistance in (a) the acquisition of an approximately 7.885 acre parcel of land located at 141 Freeman Avenue, Islip, New York (the “**Land**”), the renovation of an existing approximately 140,000 square foot building located thereon (the “**Improvements**”) and the acquisition and installation of certain equipment not part of the Equipment (as hereinafter defined) (the “**Facility Equipment**”); and, together with the Land and Improvements, the “**Company Facility**”), which Company Facility is leased by the Agency to C U Properties LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having its principal office at 41 Natcon Drive, Shirley, New York 11967 (the “**Company**”), and subleased by the Company to Cookies United LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having its principal office at 41 Natcon Drive, Shirley, New York 11967 (the “**Sublessee**”), and (b) the acquisition and installation of certain equipment and personal property, including, but not limited to, new baking equipment and new software systems (the “**Equipment**”) which Equipment was leased by the Agency to the Sublessee for its primary use in the commercial production and warehouse storage of cookies (the Company Facility and the Equipment are collectively referred to herein as the “**Facility**”); and

WHEREAS, the Agency acquired a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of September 1, 2014 (the “**Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency acquired title to the Facility Equipment pursuant to a certain Bill of Sale, dated September 24, 2014 (the “**Bill of Sale**”), from the Company to the Agency;

WHEREAS, the Agency leased the Company Facility to the Company pursuant to a certain Lease Agreement, dated as September 1, 2014 (the “**Lease Agreement**”), between the Company and the Agency; and

WHEREAS, the Agency acquired title to the Equipment pursuant to a certain Equipment Bill of Sale, dated September 24, 2014 (the “**Equipment Bill of Sale**”), from the Sublessee to the Agency; and

WHEREAS, the Agency leased the Equipment to the Sublessee pursuant to a certain Equipment Lease Agreement, dated as of September 1, 2014 (the “**Equipment Lease Agreement**”); and

WHEREAS, in connection with the acquisition, renovation and equipping of the Facility, the Agency, the Company and the Sublessee entered into a certain Payment-in-Lieu-of-Tax Agreement dated as of September 1, 2014 (the “**Original PILOT Agreement**”), pursuant to which the Company and the Sublessee agreed to make payments in lieu of taxes on the Facility; and

WHEREAS, it has come to the Agency’s attention that the schedule for payments-in-lieu-of-taxes attached as Exhibit A to the Original PILOT Agreement contained certain errors; and

WHEREAS, the Agency will amend and restate the Original PILOT Agreement to include the schedule for payments-in-lieu-of-taxes attached hereto as Exhibit C, pursuant to a certain Amended and Restated Payment-in-Lieu-of-Tax Agreement, dated as of January 1, 2016 or such other date as may be determined by the Agency and counsel to the Agency (the “**Amended and Restated PILOT Agreement**”), by and among the Agency, the Company and the Sublessee; and

WHEREAS, a public hearing (the “**Hearing**”) has been 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 could be heard; and

WHEREAS, notice of the Hearing was 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 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 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 proposed Amended and Restated PILOT Agreement and in connection with the Facility.

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

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 provision of financial assistance, consistent with the policies of the Agency, pursuant to the Act, will continue to 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 proposed Amended and Restated PILOT Agreement 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, 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 and all regional and local land use plans for the area in which the Facility is located; and
- (f) It is desirable and in the public interest for the Agency to enter into the Amended and Restated PILOT Agreement; and
- (g) The Amended and Restated PILOT Agreement will be an effective instrument whereby the Agency, the Company and the Sublessee set forth the terms and conditions of the agreement regarding the payments in lieu of taxes on the Facility.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) execute, deliver and perform the Amended and Restated PILOT Agreement; and (ii) execute and deliver any additional documents to which the Agency is a party, in connection with the Amended and Restated PILOT Agreement.

Section 3. The form and substance of the Amended and Restated PILOT Agreement (in substantially the form presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) is hereby approved.

Section 4.

(a) The Chairman, Executive Director, Deputy Executive Director and all members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Amended and Restated PILOT Agreement with such changes, variations, omissions and insertions as the Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transaction contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The

execution thereof by the Chairman, Executive Director Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Executive Director, Deputy 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.

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.





EXHIBIT C

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), 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) which are or may be imposed for special improvements or special district improvements, that the Company and/or the Sublessee would pay without exemption.

Payment Formula

Tax Year

Formula

- Year 1 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$237,500.00
  - Year 2 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$237,500.00
  - Year 3 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$237,500.00
  - Year 4 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$237,500.00
  - Year 5 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$237,500.00
  - Year 6 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$303,850.00
  - Year 7 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$370,200.00
  - Year 8 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$436,550.00
  - Year 9 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$502,900.00
  - Year 10 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$569,250.00
  - Year 11 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$635,600.00
  - Year 12 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$701,950.00
  - Year 13 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$768,300.00
  - Year 14 - 100% Normal Tax Due on the agreed upon taxable assessed valuation of \$834,650.00
  - Year 15 - 100% Normal Tax Due on the full assessed value.
- and thereafter