

LIIM Approving Resolution

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency at 1550 Franklin Avenue, Mineola, Nassau County, New York, on March 21, 2013, at 5:30 p.m. local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

Timothy Williams	Chairman
John Coumatos	Vice Chairman
Christopher Fusco	Asst. Secretary
Gary Weiss	Secretary
John T. Ahern	

ABSENT:

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Joseph J. Kearney	Executive Director
Joseph Foarile	Chief Financial Officer
Colleen Pereira	Administrative Director
Nicholas Terzulli	Director of Business Development
Mary Dolan Grippio	Chief Marketing Officer
Edward Ambrosino, Esq.	General Counsel
Paul O'Brien, Esq.	Bond/Transaction Counsel
Milan Tyler, Esq.	Bond/Transaction Counsel

The attached resolution no. 2013-20 was offered by J. Ahern, seconded by G. Weiss:

Resolution No. 2013-20

RESOLUTION TAKING OFFICIAL ACTION TOWARD AND APPROVING THE
ACQUISITION AND STRAIGHT LEASING OF A CERTAIN PROJECT
FOR LONG ISLAND INDUSTRIAL MANAGEMENT LLC

WHEREAS, the Nassau County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, LONG ISLAND INDUSTRIAL MANAGEMENT LLC, a limited liability company organized and existing under the laws of the State of New York (the "Applicant"), presented an application (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in those certain parcels of land more particularly identified on Schedule A attached hereto (collectively, the "Land"), (2) the renovation of the existing buildings on the Land (collectively, the "Building"), and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (collectively, the "Equipment"), all of the foregoing for use as commercial and industrial facilities (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions or partial exemptions from real property taxes, sales and use taxes and mortgage recording taxes; and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Applicant or such other entity(ies) as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, the Applicant proposed that one (1) or more of single-purpose real estate holding companies controlled by the principals of the Applicant (together with the Applicant, the "Companies"), be the owners of one (1) or more properties comprising the Project Facility and the Agency is prepared to approve such proposals; and

WHEREAS, in accordance with Section 859-a of the Act, any approval of the Project is contingent upon, inter alia, a determination by the members of the Agency to proceed with the

Project following a determination by the Agency that (A) the public hearing and notice requirements and other procedural requirements contained in the Act relating to the Project have been satisfied, and (B) the undertaking of the Project by the Agency and the granting of the Financial Assistance are and will be in compliance with all other applicable requirements of the Act, SEQRA (as hereinafter defined), and all other statutes, codes, laws, rules and regulations of any governmental authority having jurisdiction over the Project (collectively, "Applicable Laws"); and

WHEREAS, the Executive Director of the Agency (A) caused notices of public hearings of the Agency pursuant Section 859-a of the Act (collectively, the "Public Hearings") to hear all persons interested in the Project and the Financial Assistance contemplated by the Agency with respect to the Project, to be mailed on January 31, 2013 to the chief executive officer of Nassau County, New York and of each other affected tax jurisdiction within which the Project Facility or any part thereof is or is to be located; (B) caused notice of the Public Hearings to be published on January 31, 2013 in the Nassau edition of Newsday, a newspaper of general circulation available to residents of the Town of Oyster Bay, the Town of North Hempstead, the Village of Muttontown and the County of Nassau, New York; (C) conducted a Public Hearing on February 13, 2013 at 10:00 a.m., local time, at Town Hall, 220 Plandome Road, Manhasset, Town of North Hempstead, Nassau County, New York; (D) conducted a Public Hearing on February 13, 2013 at 11:00 a.m., local time, at Oyster Bay Community Center, 59 Church Street, Oyster Bay, Town of Oyster Bay, Nassau County, New York; and (E) prepared reports of the Public Hearings (collectively, the "Reports") which fairly summarizes the views presented at the Public Hearings and distributed the Reports to the members of the Agency; and

WHEREAS, the Executive Director of the Agency (A) caused notice of a meeting of the Agency (the "IDA Meeting") with respect to the proposed deviation from the Agency's uniform tax exemption policy and guidelines to be mailed on March 6, 2013 to the chief executive officer of each affected tax jurisdiction, and (B) conducted the IDA Meeting on March 21, 2013 and reviewed any written comments or correspondence received by the Agency before the IDA Meeting regarding the proposed deviation from the Agency's uniform tax exemption policy; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the appropriate personnel of the Agency reviewed the environmental assessment form and other materials submitted by the Applicant and made any necessary comments to members of the Agency, and by resolution of the members of the Agency adopted immediately prior to the adoption hereof, the Agency decided to conduct an uncoordinated review of the Project and determined that the Project will not have a significant effect on the environment; and

WHEREAS, the Agency now desires to make its determination to proceed with the Project and to grant the Financial Assistance, subject to the terms hereof; and

WHEREAS, (A) one (1) or more Companies will execute and deliver a certain assignment of lease or company lease to the Agency, pursuant to which such Company(ies) will

convey their interest in the Land and the Building to the Agency (collectively, the "Conveyance Instrument"), (B) one (1) or more Company(ies) will execute and deliver a certain Bill of Sale (collectively, the "Bill of Sale to Agency") to the Agency, pursuant to which such Company(ies) will convey to the Agency their interests in the Equipment, (C) the Companies will execute and deliver a Lease Agreement or Sublease Agreement (the "Lease") between the Agency and the Companies, pursuant to which the Agency will grant to the Companies a leasehold interest in the Project Facility, (D) each Company will cause to be executed and delivered a certain Environmental Compliance and Indemnification Agreement (the "Environmental Indemnification") pursuant to which the Agency will be indemnified from and against certain losses, costs, damages and liabilities, (E) each Company will execute and deliver or cause to be executed and delivered a certain Payment in Lieu of Taxes Agreement (the "PILOT Agreement") to the Agency, and, to secure the obligations thereunder, a certain Mortgage and Assignment of Leases and Rents in favor of the County of Nassau, New York (the "PILOT Mortgage"), (F) each Company will execute and deliver or cause to be executed and delivered a certain Guaranty (the "Guaranty") to the Agency, and (G) the Companies will execute and deliver and/or cause to be executed and delivered certain other certificates, documents, instruments and agreements related to the Project (together with the Conveyance Instrument, the Bill of Sale to Agency, the Lease, the Environmental Indemnification, the PILOT Agreement, the PILOT Mortgage and the Guaranty, collectively, the "Transaction Documents");

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency has reviewed the Application and the Report and, based solely upon the representations made by the Applicant to the Agency and the facts and information obtained by the Staff of the Agency and reported to the members of the Agency at this meeting, the Agency hereby makes the following findings and determinations with respect to the Project:

- (a) based on the proposed use of the Project Facility as set forth in the Application, the economic effects of the Project on the area in which it is situated, the employment reasonably expected to be created and/or maintained by the Project, the Project will constitute a commercial facility and, therefore, the Project constitutes a "project" within the meaning of the Act;
- (b) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Companies to undertake the Project in Nassau County, New York;
- (c) the Companies would not undertake the Project in Nassau County, New York, without the granting of the Financial Assistance by the Agency;
- (d) the completion of the Project Facility, the granting of an interest therein by the Agency to the Companies and the operation thereof by the Companies will not result in the removal of a facility or plant of any Company from one area of the State of New York (the "State") to another area of the State or in the abandonment of one or more

plants or facilities of any Company located within the State (but outside of Nassau County);

(e) the Project will serve the public purposes of the Act by preserving permanent, private sector jobs and increasing the overall number of permanent, private sector jobs in the State;

(f) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State, nor shall any funds of the Agency be used for advertising or promotional materials which depict elected or appointed government officials in either print or electronic media; and

(g) the granting of the Financial Assistance by the Agency with respect to the Project will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Nassau County, New York and the State and improve their standard of living, and thereby serve the public purposes of the Act.

Section 2. The Agency hereby ratifies, confirms and approves all actions heretofore taken by the Executive Director and the staff of the Agency with respect to the Application, the IDA Meeting and the Public Hearings, including, without limitation, (a) those actions required to ensure full compliance with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the Project, and (b) the appointment of the law firm of Phillips Lytle LLP, Garden City, New York, as Special Counsel to the Agency with respect to all matters in connection with the Project.

Section 3. The Agency hereby determines that the Agency has fully complied with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the Project.

Section 4. Having considered fully all comments received at or in connection with the Public Hearings, the Agency hereby further determines to proceed with the Project and the granting of the Financial Assistance.

Section 5. The Agency hereby approves the Companies as the lessees/sublessees under the Lease with the Agency and the Companies as the recipients of the Financial Assistance.

Section 6. The Agency is hereby authorized (a) to acquire an interest in the Project Facility pursuant to the Conveyance Instrument, the Bill of Sale to Agency and the other Transaction Documents, (b) grant a leasehold interest in the Project Facility pursuant to the Lease and the other Transaction Documents, (c) grant the aforementioned Financial Assistance, (d) execute the PILOT Mortgage for the sole purpose of encumbering its fee interest in the Project Facility to secure the performance by the Companies of their obligations under the PILOT Agreement, (e) to execute one (1) or more fee and leasehold mortgage, assignment of rents and leases, and security agreements in favor of such bank or financial institution as the

Companies may determine (such bank or financial institution, the "Bank"), encumbering the Project Facility, solely to subject to the lien thereof its fee interest in the Project Facility, all to secure a loan made by such Bank to one (1) or more of the Companies, and (f) to do all things necessary, convenient or appropriate for the accomplishment thereof. All acts heretofore taken by the Agency with respect to the foregoing are hereby approved, ratified and confirmed.

Section 7. The form and substance of the Conveyance Instrument, the Bill of Sale to Agency, the Lease, the Environmental Indemnification, the PILOT Agreement, the PILOT Mortgage and the other Transaction Documents, in the forms used by the Agency with respect to prior projects, together with such changes as the Chairman, the Vice Chairman or the Executive Director may hereafter deem necessary or appropriate, are hereby approved. The Chairman, the Vice Chairman, the Executive Director and the Administrative Director are hereby authorized, on behalf of the Agency, acting together or individually, to execute and deliver the Conveyance Instrument, the Lease, the PILOT Agreement, the PILOT Mortgage, the other Transaction Documents and any document with or in favor of the Bank to which the Agency is a party and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same. The execution and delivery of each such agreement, approval and consent by such person(s) shall be conclusive evidence of such approval.

Section 8. The Chairman, the Vice Chairman, the Executive Director and the Administrative Director of the Agency are hereby further authorized, on behalf of the Agency, acting together or individually, to designate any additional Authorized Representatives (as defined in the Lease) of the Agency.

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed, acting individually or jointly, 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 Transaction Documents, to execute and deliver all such additional certificates, instruments, agreements and documents, to 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, convenient or appropriate to effect the purposes of this Resolution and to cause compliance with all of the terms, covenants and provisions of the Transaction Documents to which the Agency is a party or which are binding on the Agency.

Section 10. The Chairman, the Vice Chairman, the Executive Director and the Administrative Director of the Agency are hereby authorized and directed to distribute copies of this Resolution to the Companies and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 11. This Resolution shall take effect immediately and shall be effective for ninety (90) days from the date of its adoption.

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

Timothy Williams	VOTING	Aye
John Coumatos	VOTING	Aye
Gary Weiss	VOTING	Aye
Christopher Fusco	VOTING	Aye
John T. Ahern	VOTING	Aye

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned ~~[Assistant]~~ Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on March 21, 2013 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 21st day of March, 2013.



~~[Asst.]~~ Secretary

(SEAL)

SCHEDULE A

<u>Address</u>	<u>Tax Map Identification No.</u>
230 Duffy Avenue, Hicksville	11/G/187
260-270 Duffy Avenue, Hicksville	11/G/148
280 Duffy Avenue, Hicksville	11/G/191
290 Duffy Avenue, Hicksville	11/G/190
325 Duffy Avenue, Hicksville	11/H/112
600 West John Street, Hicksville	11/499/110
575 Underhill Boulevard, Syosset	15/169/20
6851 Jericho Turnpike, Village of Muttontown	15/A/2070
99 Lafayette Drive, Syosset	15/E/172
79 Express Street, Hicksville	13/83/94
1 Fairchild Court, Plainview	13/117/1
95 Seaview Boulevard, Port Washington	6/89/52
1 Underhill Road, Glen Head	21/S/314