

**Nassau Steel, LLC SEQR Resolution**

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 1550 Franklin Avenue, Suite 235, Mineola, County of Nassau, New York on September 8, 2011 at 5:00 p.m., local time.

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

**PRESENT:**

Jeffrey L. Seltzer	Chairman
Gary Weiss	Secretary
Bruce Ungar	Treasurer
Christopher Fusco	Asst. Secretary

**ABSENT:**

**THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:**

Joseph J. Kearney	Executive Director (by phone)
Colleen Pereira	Administrative Director
Joseph Foarile	Chief Financial Officer
Mary Dolan Grippo	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. 2011-33 was offered by J. Seltzer, seconded by C. Fusco:

Resolution No. 2011-33

RESOLUTION FINDING THAT ACTION TO UNDERTAKE A  
CERTAIN PROJECT FOR NASSAU STEEL, LLC WILL NOT HAVE A SIGNIFICANT  
ADVERSE IMPACT ON THE ENVIRONMENT AND THAT  
SEGMENTATION IS WARRANTED

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, Nassau Steel, LLC, a limited liability company organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign limited liability company (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 or interests in an approximately 94.72 acre parcel of land located at 999 South Oyster Bay Road, Bethpage, Town of Oyster Bay, County of Nassau, New York (Section: 46; Block: G; Lots: 98 and 100) (collectively, the "Land"), (2) the repair and restoration of the base building systems and infrastructure of the existing approximately 1,200,000 square foot building complex on the Land (collectively, the "Building"), which is limited to repairs of roofing, flooring, electrical and plumbing components and asbestos compliance work, together with related infrastructure improvements to the Land to bring the Building into compliance with building code regulations; and (3) consistent with item (2) above, the acquisition and installation therein and thereon of certain fixtures, machinery and equipment related to the repair and restoration of the Building and related improvements to the Land (the "Equipment" and together with the Land and the Building, collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including 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),

license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the New York Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, et. seq., as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to undertake the Project; and

WHEREAS, pursuant to SEQRA, to aid the Agency in determining whether the Project may have a significant adverse impact upon the environment, the Applicant submitted to the Agency: (1) Applicant's Application for Financial Assistance to the Agency dated August 5, 2011, (2) a Full Environmental Assessment Form dated August, 2011, (3) a letter from Joseph Lostritto to Joseph J. Kearney, dated February 16, 2011, (4) Asbestos Reinspection Survey Report, prepared by Accredited Environmental Technologies, Inc. dated August 13, 2007, and (5) Final Asbestos Abatement Completion Report, dated March 2008 (collectively the "Project Environmental Documents"); and

WHEREAS, the Project consists of repairs and restoration of existing infrastructure, including roofing, flooring, electrical, plumbing, etc. and continuing asbestos abatement work at the Project Facility, as a precursor to the ultimate redevelopment of the Project Facility ("Redevelopment Phase"), which will include extensive renovation, construction, reconstruction and environmental mitigation activities determined and driven by future prospective tenant requirements; and

WHEREAS, 6 NYCRR § 617.3(g) states that actions commonly consist of a series of activities or steps. The entire set of activities or steps must be considered the action, whether the agency decision-making relates to the action as a whole or to only a part of it; and

WHEREAS, 6 NYCRR § 617.3(g)(1) nevertheless permits a segmented review of a part of the action when a lead agency believes that it is warranted under the circumstances, provided that the agency: (i) clearly states its reasons therefore; and, (ii) demonstrates that a segmented review will be no less protective of the environment; and

WHEREAS, the Nassau County Legislature conducted a coordinated review of the sale of the Project Facility to the Applicant and concluded in its Negative Declaration dated November 13, 2008 that the sale was a Type I action because it was a sale of 100 or more contiguous acres of land by a local agency, pursuant to 6 NYCRR § 617.4(b)(4), and that the sale would not have a significant effect on the environment; and

WHEREAS, the acreage of the Land being acquired by the Applicant is corrected to be approximately 94.72 acres, which is below the threshold for a Type I action; and

WHEREAS, pursuant to SEQRA, the Agency, in conducting an independent review of the Project, now desires to determine whether segmentation is warranted and whether the Project may have a significant adverse impact on the environment such that an Environmental Impact Statement (an "EIS") must be prepared with respect to the Project.

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

Section 1. Based upon a thorough review and examination of the Project Environmental Documents and upon the Agency's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings with respect to the Project:

(A) The Agency is undertaking an uncoordinated review of the proposed action in accordance with the requirements of SEQRA;

(B) Prior to making a recommendation about the potential environmental significance of the Project, the Agency has consulted several information sources, and has considered the list of activities which are Type I Actions outlined in Section 617.4 of the Regulations, the list of activities that are Type II Actions outlined in Section 617.5 of the Regulations, and the criteria for determining significance outlined in Section 617.7 of the Regulations; and

(C) The Project is an Unlisted action pursuant to SEQRA.

Section 2. For the following reasons, segmentation of the Project from the Redevelopment Phase is warranted because it is no less protective of the environment.

Section 3. No potentially adverse significant impacts on the environment are noted in the EAF and none are known to the Agency.

Section 4. Based upon the foregoing investigations of the potential environmental impacts of the Project and considering both the magnitude and importance of each environmental impact indicated, the Agency makes the following determinations with respect to the Project.

The Project is appropriately segmented from the Redevelopment Phase and will not have a significant adverse impact upon the environment. The reasons supporting this determination are as follows:

1. The Project is limited to the acquisition/subleasing of the Land and performance of repairs and restoration of existing infrastructure to meet building code

requirements, including roofing, flooring, electrical, plumbing, etc., and continuing asbestos compliance work at the Project Facility, which has degraded over time due to neglect and vandalism.

2. The completion of the Project would allow the Applicant to evaluate options for future redevelopment of the Project Facility consistent with its current zoning classification, with the potential to create industrial, manufacturing, warehouse, distribution, office and entertainment jobs that take into account local community needs. It is anticipated that the development plans may ultimately include the following: (a) incubator spaces for research and development companies; (b) industrial, manufacturing, telecommunications, warehouse, distribution and laboratory spaces; (c) class "A" office complexes; (d) film and television production studios; and (e) sound stages.
3. SEQRA requires review of an entire set of activities or steps that constitute a project, whether the agency decision-making relates to the action as a whole or to only part of it. As such, the Project and Redevelopment Phase are sufficiently related actions pursuant to SEQRA.
4. Nevertheless, advancing pre-development activities is a critical step to advancing any redevelopment of the Project Facility.
5. Segmentation of the environmental review for the Project from the review and approval of the redevelopment of the Land and restoration of the Building to active use to be driven by future prospective tenant requirements is appropriate because it is warranted under the circumstances and no less protective of the environment.
6. Segmentation is warranted because: (1) the contemplated Redevelopment Phase would involve extensive renovation, construction, reconstruction and environmental mitigation activities specific to the needs of particular tenants, which are as yet unknown; (2) the activities associated with the Project require long lead times, advancing those activities while plans for the Redevelopment Phase are developed concurrent with identification of future tenants in accordance with the requirements of SEQRA would be the most expeditious approach to realizing future uses in the Project Facility; (3) these site preparation activities do not commit the Agency or any other governmental agency to the undertaking, approving or funding of any future development or additional activities at the Project Facility; and (4) the Applicant will be required to undertake additional environmental review under SEQRA for the Redevelopment Phase once future tenants and their requirements for the Project Facility have been identified.
7. Segmentation will be no less protective of the environment because the specific components of the Project, as articulated below, will not have any significant

adverse impacts to social, economic, or environmental resources. The Project will result in significant environmental benefits due to the abatement of asbestos and repair and restoration of existing infrastructure, including roofing, flooring, electrical systems and plumbing. Furthermore, the Project Facility is subject to vandalism and decay. For example, despite efforts to keep the building sealed, the Building has been subject to repeated break-ins, vandalism of its interior spaces, and theft of various furnishings and fixtures.

8. In terms of the potential environmental impacts associated with the Project, the Project consists of asbestos abatement, and the repair and restoration of existing infrastructure to bring the Building into compliance with building code regulations. The Project involves no new construction.
9. Land use conditions at the Project Facility will not change as a result of the Project. The Project will prepare the Project Facility for future development as future tenants are identified and their planned use for the Project Facility determined.
10. The Project will not affect water quality because any construction-related runoff will be captured by on-site and nearby storm water facilities.
11. The Project will not be a significant source of air emissions or odors. Any asbestos containing materials (“ACMs”) will be removed in accordance with Industrial Code Rule No. 56.
12. The Project Facility is located in a heavily developed, industrial and commercial area and does not possess significant ecological value.
13. The Land does not contain any agricultural resources.
14. The Project will have no adverse effects on existing aesthetic resources. The repair and restoration of the Building will improve a blighting influence in the community and improve the visual landscape from the surrounding businesses.
15. The Project will not affect any architectural resources. The Project Facility is not listed or eligible for listing on the State or National Registers of Historic Places. Also, the Project activities will not involve excavation of any soil/fill layers not already disturbed by the Building’s original construction. Thus, the Project has no effect on archaeological resources.
16. The Land does not contain any significant public open space or recreational facilities nor would impair any open space or recreational facilities in the vicinity of the Land.

17. The Project Facility is not located in or substantially contiguous to any Critical Environmental Area.
18. Existing utility lines serve the Project Facility and no significant improvements are necessary to accommodate the Project.
19. The Project is not expected to appreciably increase ambient noise levels.
20. The Project will have no significant impacts on the use and management of energy resources.
21. The Project will not result in population growth, and generally is in character with adjacent development. The Project will restore and stabilize the Project Facility for purposes of future development to generate economic growth.
22. The Project will not involve the removal of any natural materials from the Land.
23. There will be no significant adverse environmental impacts as a result of the Project.

Section 4. The Chairman, Executive Director and Administrative Director of the Agency are hereby authorized and directed to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 5. This Resolution shall take effect immediately.

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

Jeffrey L. Seltzer	VOTING	Aye
Gary Weiss	VOTING	Aye
Bruce Ungar	VOTING	Aye
Christopher Fusco	VOTING	Aye

The foregoing Resolution was thereupon declared duly adopted.

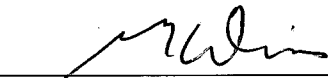
STATE OF NEW YORK            )  
  ) SS.:  
COUNTY OF NASSAU            )

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 September 8, 2011 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 9<sup>th</sup> day of September, 2011.

  
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[~~Asst.~~] Secretary

(SEAL)