

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY AND TAKING OFFICIAL ACTION AUTHORIZING THE EXECUTION, DELIVERY AND PERFORMANCE OF AGREEMENTS AND TAKING CERTAIN OTHER ACTION PERTAINING TO THE FACILITY FOR **885 WAVERLY LLC** AND/OR **NASSAU PROVISIONS KOSHER FOODS INC.** AND/OR ANY OF THE PRINCIPALS OF **885 WAVERLY LLC** AND/OR **NASSAU PROVISIONS KOSHER FOODS INC.** AND/OR OTHER ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING, INCLUDING APPOINTING **885 WAVERLY LLC** AND/OR **NASSAU PROVISIONS KOSHER FOODS INC.** AND/OR ANY OF THE FOREGOING PERSONS AND/OR ENTITIES AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING AN INDUSTRIAL DEVELOPMENT FACILITY.

WHEREAS, the Town of Brookhaven Industrial Development Agency (the “**Agency**”) was created by Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York (collectively, the “**Act**”), with the authority and power to, among other things, acquire, construct, renovate and equip a project, provide financial assistance, and mortgage, lease, grant options with respect to and dispose of property; and

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

WHEREAS, **885 WAVERLY LLC**, a New York limited liability company, on behalf of itself and/or the principals of **885 WAVERLY LLC** and/or an entity formed or to be formed on behalf of any of the foregoing (the “**Company**”), and **NASSAU PROVISIONS KOSHER FOODS INC.**, a New York business corporation, on behalf of itself and/or the principals of **NASSAU PROVISIONS KOSHER FOODS INC.** and/or an entity formed or to be formed on behalf of any of the foregoing (the “**Sublessee**”), have applied to the Agency for assistance in connection with (a) the acquisition of an approximately 3.0 acre parcel of land located at 885 Waverly Avenue, Holtsville, Town of Brookhaven, Suffolk County, New York (and further identified as Tax Map No. 0200-835.000-01.00-001.006) (the “**Land**”), and the acquisition and renovation of the approximately 50,000 square foot building located thereon (the “**Improvements**”), and the acquisition and installation therein of certain equipment not part of the Equipment (as defined herein) (the “**Facility Equipment**”; together with the Land and Improvements, the “**Company Facility**”), to be initially leased by the Agency to the Company and further subleased by the Company to the Sublessee, and (b) the acquisition and installation therein of certain equipment and personal property (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**”), which Facility is to be used by the Sublessee for the warehousing, storage and distribution of food products, and office space in connection therewith (the “**Project**”); and

WHEREAS, the Agency contemplates it will acquire a leasehold interest in the Land and Improvements under a certain Company Lease Agreement, dated as of April 1, 2024 or such other date as the Chairman, the Chief Executive Officer of the Agency or counsel to the Agency shall agree (the “**Company Lease**”), by and between the Company and the Agency, and

WHEREAS, the Agency contemplates it will acquire title to the Facility Equipment pursuant to a certain Bill of Sale (the “**Bill of Sale**”), from the Company to the Agency; and

WHEREAS, the Agency contemplates that it will lease and sublease the Company Facility to the Company under a certain Lease and Project Agreement, dated as of April 1, 2024 or such other date as the Chairman, the Chief Executive Officer of the Agency or counsel to the Agency shall agree (the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency contemplates it will acquire title to the Equipment pursuant to a certain Equipment Bill of Sale (the “**Equipment Bill of Sale**”), from the Sublessee to the Agency; and

WHEREAS, the Agency contemplates the Agency will lease the Equipment to the Sublessee under a certain Equipment Lease Agreement, dated as of April 1, 2024 or such other date as the Chairman, the Chief Executive Officer of the Agency or counsel to the Agency shall agree (the “**Equipment Lease Agreement**”), by and between the Agency and the Sublessee; and

WHEREAS, the Company will sub-sublease the Company Facility to the Sublessee under a certain sublease (the “**Sublease**”), by and between the Company and the Sublessee; and

WHEREAS, the Agency contemplates the Agency, the Company, the Sublessee and/or others will enter into a certain Agency Compliance Agreement, dated as of April 1, 2024 or such other date as the Chairman, the Chief Executive Officer of the Agency or counsel to the Agency shall agree (the “**Agency Compliance Agreement**”), in order to provide assurances to the Agency with respect to the Company’s and the Sublessee’s obligations to the Agency; and

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

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee, consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes in the amount of \$60,750.00, but not to exceed \$63,750.00, to the extent allowable under applicable law, on mortgages securing an aggregate principal amount presently estimated to be \$8,100,000.00, but not to exceed \$8,500,000.00, 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 of the Facility, (ii) exemptions from sales and use taxes on the acquisition, renovation and equipping of the Facility in an amount not to exceed \$77,625.00, including fixtures, furniture and equipment to be installed in the Facility and in connection with the purchase or lease of the Equipment and equipment, building materials, services or other personal property part of or to become part of the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), all consistent with the policies of the Agency; and

WHEREAS, in connection with the abatement of real property taxes as set forth in the PILOT Schedule on Exhibit A hereof, the current pro-rata allocation of PILOT payments to each affected tax jurisdiction in accordance with Section 858(15) of the Act and the estimated difference between the real property taxes on the Facility and the PILOT payments set forth on the PILOT Schedule on Exhibit A hereof are more fully described in the Cost Benefit Analysis ("CBA") developed by the Agency in accordance with the provisions of Section 859-a(5)(b) of the Act, a copy of which CBA having been filed with the records of the Agency; and

WHEREAS, a public hearing (the "**Hearing**") was held on March 26, 2024, 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 more than ten days prior thereto, such notice (together with proof of publication) having been filed with the records of this Agency; and

WHEREAS, the minutes of the Hearing having been filed with the records of this Agency; and

WHEREAS, the Agency has given due consideration to the application of the Company and the Sublessee and to the representations by the Company and the Sublessee that the proposed transfer of real estate is either an inducement to the Company and the Sublessee to maintain or expand the Facility in the Town of Brookhaven or is necessary to maintain the competitive positions 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 "**SEQRA**"), the Agency constitutes a "State Agency"; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company and the Sublessee have prepared and submitted to the Agency an Environmental Assessment Form and related documents (the

“Questionnaire”) with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency; and

WHEREAS, the Company and the Sublessee have agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company and/or the Sublessee.

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

Section 1. Based upon the Questionnaire prepared by the Company and/or the Sublessee and reviewed by the Agency, and other representations and information furnished by the Company and/or the Sublessee regarding the Facility, the Agency determines that action relating to the acquisition, renovation, equipping and operation of the Facility is a “Unlisted” action, as that term is defined in the State Environmental Quality Review Act (“SEQRA”) (Article 8 of the Environmental Conservation Law). The Agency, as of the date of this resolution, determines that the action will not have a “significant effect” on the environment and, therefore, an environmental impact statement will not be required. This determination constitutes a negative declaration for the 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, Chief Executive Officer of the Agency or counsel to the Agency.

Section 2. 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 as defined in the Act; and

c. The Facility preserves the public purposes of the Act by preserving or increasing the number of permanent private sector jobs in the Town of Brookhaven. The Company and/or the Sublessee has represented to the Agency that it will provide approximately seventeen (17) full-time equivalent employees at the Facility within two (2) years of project completion; and

d. The acquisition, renovation and equipping of the Company Facility, the leasing and subleasing of the Company Facility to the Company, the sub-subleasing of the Company Facility by the Company to the Sublessee, the acquisition and installation of the Equipment, the leasing of the Equipment to the Sublessee, the financial assistance to the Company and the Sublessee within the meaning of the Act, and the mortgages on, and security interests in, the Facility, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

e. The acquisition, renovation and equipping of the Facility is reasonably necessary to induce the Company and the Sublessee to maintain and expand their respective business operations in the State of New York; and

f. Based upon the representations of the Company and the Sublessee:

i the Facility conforms with the local zoning laws and planning regulations of the Town of Brookhaven and all regional and local use plans for the area in which the Facility is located; and

ii The Facility and the operations conducted therein will not cause or result in the violation of the health, labor or other laws of the United States of America, the State of New York, or the Town of Brookhaven; and

iii The Agency approves the location of the site of the Facility; and

iv The financial assistance of the Agency and the transactions contemplated hereby are reasonably necessary to induce the Company and the Sublessee to maintain and expand their operations within the State of New York, and to preserve the competitive positions of the Company and the Sublessee, and shall not result in the removal of a facility or plant of the Company or the Sublessee from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the Company or the Sublessee located within the State; and

v The Facility shall not be used for retail sales; and

g. It is desirable and in the public interest for the Agency to lease and sublease the Company Facility to the Company and lease the Equipment to the Sublessee.

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 the Company Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu of taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company or the Sublessee; and

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

k. The Agency Compliance Agreement will be an effective instrument whereby Company and/or the Sublessee and/or others will provide certain assurances to the Agency with respect to the Facility; and

1. The Loan Documents to which the Agency is a party will be effective instruments whereby the Agency, the Company and/or the Sublessee agree to secure the Loan made to the Company and/or the Sublessee by the Lender.

Section 3. The Agency has assessed all material information included in connection with the Company's and Sublessee's application for financial assistance, as amended, including but not limited to, the cost-benefit analysis prepared by the Agency, and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company and the Sublessee.

Section 4. In consequence of the foregoing, the Agency is hereby authorized and determines to, in furtherance of the purposes of the Act, (i) lease the Land and Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) lease and sublease the Company Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) authorize the Company to sublease the Company Facility to the Sublessee, (vi) lease the Equipment to the Sublessee pursuant to the Equipment Lease Agreement, (vii) execute, deliver and perform the Equipment Lease Agreement, (viii) execute and deliver the Agency Compliance Agreement, (ix) grant mortgage lien(s) and security interest(s) in the Facility pursuant to the Loan Documents, and (x) execute, deliver and perform the Loan Documents to which the Agency is a party.

Section 5. The Agency is hereby authorized to acquire the real property and personal property described in the Lease Agreement, and the personal property described in the Equipment Lease Agreement, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 6. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company and the Sublessee in connection with the acquisition, renovation and equipping of the Facility in the form of: (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$8,100,000.00 but not to exceed \$8,500,000.00, corresponding to mortgage recording tax exemptions presently estimated to be \$60,750.00 but not to exceed \$63,750.00, 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 the acquisition, renovation and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$77,625.00, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof). In connection with the abatement of real property taxes as set forth in the PILOT Schedule on Exhibit A hereof, the current pro-rata allocation of PILOT payments to each affected tax jurisdiction in accordance with Section 858(15) of the Act and the estimated difference between the real property taxes on the Facility and the PILOT payments set forth on the PILOT Schedule on Exhibit A hereof are more fully described in the CBA developed by the Agency in accordance with the provisions of Section 859-a(5)(b) of the Act, a copy of which is on file with records of the Agency.

Section 7. Subject to, and conditioned upon, the execution and delivery by the Company, the Sublessee and such other persons as may be required by the Agency, and the

acceptance by the Agency, of the Company Lease, Lease Agreement, and such other documents as may be required by the Agency, and the closing of the transactions contemplated hereby and thereby: each of the Company and the Sublessee are hereby appointed the true and lawful agents of the Agency to acquire, renovate and equip the Facility, and each of the Company and the Sublessee are hereby empowered to delegate its status as agent of the Agency to its agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors, and such other parties as the Company or the Sublessee may choose in order to acquire, renovate and equip the Facility; and the Agency appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company and/or the Sublessee, as agent of the Agency, solely for purposes of making sales or leases of goods, services and supplies to the Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company or the Sublessee, as agent of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the Facility. The agency appointments hereunder shall expire upon the earliest of (a) completion of the initial acquisition, renovation and equipping of the Facility, (b) a date which the Agency designates, and (c) the date on which the Company and the Sublessee collectively or individually receives exemptions from sales and use taxes by reason of the Agency's participation in the Project in an aggregate amount not to exceed \$77,625.00 in connection with the acquisition, renovation and equipping of the Facility; provided however, such appointments may be extended and the amount of the exemptions may be increased at the sole discretion of the Agency, upon the written request of the Company or the Sublessee, if such activities and renovations are not completed by such time or additional sales and uses tax exemptions are necessary. The Company and the Sublessee, jointly and severally, 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/or the Sublessee, as agent of the Agency. The aforesaid agency appointments expressly exclude the Company and the Sublessee from purchasing or leasing 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 aforesaid appointments are subject to the completion of the transactions and the execution and delivery of the documents contemplated hereby.

Section 8. The Chairman, Chief Executive Officer and/or any other member of the Agency are hereby authorized and directed to, on behalf of and in the name of the Agency, execute, deliver and perform a Company Lease, Lease Agreement, Equipment Lease Agreement, Agency Compliance Agreement, Loan Documents to which the Agency is a party, and additional certificates, agreements, instruments and documents (collectively, the "**Agency Documents**"), in such form and containing such terms, conditions and provisions as the person executing same on behalf of the Agency shall deem necessary or desirable, and shall approve, such necessity, desirability, and approval, to be conclusively evidenced by his or her execution and delivery thereof, and as such, each of such instruments are hereby approved by the Agency. The Chairman, Chief Executive Officer and/or any other member of the Agency are hereby authorized and directed, on behalf of and in the name of the Agency, to pay all fees, charges and expenses incurred, to cause compliance with the terms, conditions and provisions of agreements binding upon the Agency, and to do all such further acts and things, in furtherance of the foregoing as such person shall deem necessary or desirable, and shall approve.

Section 9. The Company and the Sublessee hereby agrees, and shall confirm such agreement in the Lease Agreement and the Equipment Lease Agreement, to comply with

Section 875 of the Act. The Company and the Sublessee further agree that the tax exemptions and abatements provided by the Act and the appointment of the Company and Sublessee as agents of the Agency pursuant to this resolution is subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement and the Equipment Lease Agreement.

Section 10. The Chairman, the Chief Executive Officer of the Agency or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 11. Weinberg Gross & Pergament LLP are hereby appointed Transaction Counsel to the Agency, and is authorized and directed to work with Counsel to the Company, Sublessee and others, to prepare, for submission to the Agency, all documents necessary to effect the transaction described in these resolutions.

Section 12. Any and all acts, instruments, and other writings heretofore or hereafter performed and/or executed and delivered by any one or more of the Chairman, Chief Executive Officer or any member of the Agency, pursuant to the several foregoing resolutions, for and on behalf of and in the name of the Agency, in connection with the transactions contemplated thereby, be and the same hereby are, in all respects ratified, confirmed and approved.

Section 13. The Agency Documents, promptly following the execution, and delivery thereof, be identified by any of the Chairman, Chief Executive Officer or any member of the Agency by his or her endorsement thereon and when so identified be filed with the official records of the Agency.

Section 14. Any expenses incurred by the Agency with respect to the Facility shall be paid by the Company and the Sublessee. The Company and the Sublessee, jointly and severally, agree to pay such expenses and further agree to indemnify and hold harmless the Agency, its members, directors, employees and agents from and against all claims, suits, actions, proceedings, obligations, damages, liabilities, judgments, costs and expenses, including legal fees and expenses, incurred as a result of action or inaction taken by or on behalf of the Agency with respect to the Facility.

Section 15. The Chairman, Chief Executive Officer, Counsel to the Agency or any member of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and the Sublessee, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 16. This resolution shall take effect immediately, and, at the option of the Agency, be rescinded at any time after the adoption of this resolution (except with respect to the matters contained Section 14 hereof). As required by the Agency's resolution regarding the expiration of applications and resolutions adopted July 19, 2023, if this Project and financing thereof have not closed within one hundred eighty days after the adoption of this resolution (the "**Closing Date**"), this resolution shall expire and shall no longer be of any force or effect (except

with respect to the matters contained Section 14 hereof), unless such Closing Date is extended by the Agency at the request of the applicant.

Adopted: March 26, 2024

Accepted: March __, 2024

885 WAVERLY LLC

By: _____

Name: _____

Title: _____

NASSAU PROVISIONS KOSHER FOODS INC.

By: _____

Name: _____

Title: _____

EXHIBIT A

PROPOSED PILOT BENEFITS ARE FOR DISCUSSION PURPOSES ONLY
AND HAVE NOT APPROVED BY THE AGENCY BOARD.

March 26, 2024