

Date: November 15, 2017

At a meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), held on the 15th day of November 2017, at 1 Independence Hill, 3rd Floor, Farmingville, New York 11738, the following members of the Agency were:

Present: Frederick C. Braun, III  
Martin Callahan  
Gary Pollakusky  
Ann-Marie Scheidt

Recused:

Absent: Felix J. Grucci, Jr.  
Michael Kelly  
Scott Middleton

Also Present: Lisa M. G. Mulligan, Chief Executive Officer

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 a leasehold interest in and title to a certain industrial development facility more particularly described below (Rose-Breslin Associates, LLC 2017 Facility) and the leasing of the facility to Rose-Breslin Associates, LLC

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

Voting Aye

Braun  
Callahan  
Pollakusky  
Scheidt

Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE APPOINTMENT OF ROSE-BRESLIN ASSOCIATES, LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF ROSE-BRESLIN ASSOCIATES, 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, APPROVING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF SUCH INDUSTRIAL DEVELOPMENT FACILITY AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE 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 358 of the Laws of 1970 of the State of New York, as amended from time to time (collectively, the “**Act**”), the Town of Brookhaven 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, Rose-Breslin Associates LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, on behalf of itself and/or the principals of Rose-Breslin Associates LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has requested the Agency’s assistance with the acquisition, construction and equipping of Phase 1b of the Meadows at Yaphank which is a multi-phase development (Phase 1b is a mixed-use industrial development facility comprised of two (2) components) consisting of (a) the acquisition of an approximately 35.54 acres of land located on the southeast and northeast corners of The Boulevard and Yaphank Woods Boulevard Ext., also known as Tax Map No. 0200-584.00-02.00-001.004 (collectively, the “**Land**”), (b) the construction and equipping of a 295 unit apartment complex consisting of 192 units in four 4-story buildings, 77 units in 2-story townhouse buildings, and 26 units in 2-story carriage house units, consisting of collectively, 80 one-bedroom units, 199 two-bedroom units and 16 three-bedroom units of which 29 are affordable units (including 18 one-bedroom units, 10 two-bedroom units and 1 three-bedroom unit), all totaling approximately 482,480 square feet located on an approximately 32.84 acre portion of the Land, including, but not limited to, equipment and furnishings , along with a 6,800 square foot clubhouse for use by the residents of the units (collectively, the “**Phase 1b Apartments**”), to provide much needed rental housing on Long Island, and (c) the construction and equipping of a 146 suite 4-story hotel with kitchenettes, conference rooms and meeting spaces totaling approximately 96,780 square feet located on an approximately 2.7 acre parcel of the Land and to be known as a Hilton Home 2 Suite Hotel, or such other hotel as may be determined, including, but not limited to, building materials, landscaping, furniture, office equipment, kitchen equipment, pool equipment and gym equipment (collectively, the “**Phase 1b Hotel**”), to serve the needs of business travelers.

The Phase 1b Hotel together with the Phase 1b Apartments, are referred to as the “**Facility**”. Each component of the Facility will be leased by the Agency to the Company for further sublease by the Company to various sublessees formed or to be formed by the Company and/or the principals thereof and not yet determined (the “**Sublessees**”), and the Agency contemplates that it will enter into one or more Equipment Lease Agreements with the Sublessees, in connection with the equipping and furnishing of each component of the Facility, including the following as they relate to the acquisition, construction and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, construction and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, construction and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; and

WHEREAS, in addition, in connection with the Facility, certain public improvements, including utilities, sewers, roadways, sidewalks, curbs, and parking lots may need to be constructed, renovated, or improved on or across land, lots, and roadways which may be owned or controlled by the Company, the Town of Brookhaven or Suffolk County adjacent to or in the vicinity of the Facility and the Facility will be initially owned, operated and/or managed by the Company; and

WHEREAS, the Agency will acquire a leasehold interest in the Facility pursuant to a certain Company Lease Agreement, dated as of November 1, 2017 or such other date as the Chairman, the Chief Executive Officer 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 (as defined in the hereinafter defined Lease Agreement) 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 and Project Agreement, dated as of November 1, 2017 or such other date as the Chairman, the Chief Executive Officer of the Agency and counsel to the Agency shall agree (the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency will acquire title to the Phase 1b Apartments Equipment (as defined in the hereinafter defined Phase 1b Apartments Equipment Lease) pursuant to a certain Equipment Bill of Sale, dated the Closing Date (collectively, the “**Phase 1b Apartments Equipment Bill of Sale**”), from the Phase 1b Apartments Sublessee not yet determined (the “**Phase 1b Apartments Sublessee**”), to the Agency; and

WHEREAS, the Agency will lease the Phase 1b Apartments Equipment to the Phase 1b Apartments Sublessee pursuant to a certain Equipment Lease Agreement, dated as of November 1, 2017 or such other date as the Chairman or Chief Executive Officer of the

Agency and counsel to the Agency shall agree (the “**Phase 1b Apartments Equipment Lease Agreement**”), by and between the Agency and the Phase 1b Apartments Sublessee; and

WHEREAS, the Agency will acquire title to the Phase 1b Hotel Equipment (as defined in the hereinafter defined Phase 1b Hotel Equipment Lease) pursuant to a certain Equipment Bill of Sale, dated the Closing Date (collectively, the “**Phase 1b Hotel Equipment Bill of Sale**”), from the Phase 1b Hotel Sublessee not yet determined (the “**Phase 1b Hotel Sublessee**”; and, together with the Phase 1b Apartments Sublessee, the “**Sublessees**”), to the Agency; and

WHEREAS, the Agency will lease the Phase 1b Hotel Equipment to the Phase 1b Hotel Sublessee pursuant to a certain Equipment Lease Agreement, dated as of November 1, 2017 or such other date as the Chairman or Chief Executive Officer of the Agency and counsel to the Agency shall agree (the “**Phase 1b Hotel Equipment Lease Agreement**”; and, together with the Phase 1b Apartments Equipment Lease Agreement, the “**Equipment Lease Agreements**”), by and between the Agency and the Phase 1b Hotel Sublessee; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessees in the form of: (i) exemptions from mortgage recording taxes for one or more mortgages securing the principal amount presently estimated to be \$71,705,000 but not to exceed \$78,000,000 in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$1,794,000, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof), consistent with the policies of the Agency; and

WHEREAS, 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 Phase 1b Apartments Sublessee and the Agency will enter into a certain Agency Compliance Agreement, dated as of November 1, 2017 or such other date as may be determined by the Chairman or Chief Executive Officer of the Agency and counsel to the Agency (the “**Phase 1b Apartments Agency Compliance Agreement**”), whereby the Phase 1b Apartments Sublessee will provide certain assurances to the Agency with respect to the Facility; and

WHEREAS, the Phase 1b Hotel Sublessee and the Agency will enter into a certain Agency Compliance Agreement, dated as of November 1, 2017 or such other date as may be determined by the Chairman or Chief Executive Officer of the Agency and counsel to the Agency (the “**Phase 1b Hotel Agency Compliance Agreement**”; and, together with the Phase 1b Apartments Agency Compliance Agreement the “**Agency Compliance**”

**Agreements**”), whereby the Phase 1b Hotel Sublessee will provide certain assurances to the Agency with respect to the Facility; and

WHEREAS, as security for a loan or loans, the Agency and the Company and/or the Sublessees 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, construction and equipping of the Facility (collectively, the **“Loan Documents”**); and

WHEREAS, a public hearing (the **“Hearing”**) was held on November 14, 2017 and notice of the Hearing was given and such notice (together with proof of publication) together with the minutes of the Hearing are in substantially in the form annexed hereto as Exhibits A and B respectively; and

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

WHEREAS, the Agency required the Company to provide to the Agency a feasibility report (the **“Feasibility Study”**), together with such letters or reports from interested parties and governmental agencies or officials (the **“Letters of Support”**) (the Feasibility Study and the Letters of Support are collectively, the **“Requisite Materials”**) to enable the Agency to make findings and determinations that the Facility qualifies as a “project” under the Act and that the Facility satisfies all other requirements of the Act, and such Requisite Materials are listed below and attached as Exhibit E hereof:

1. Addendum to Tax Impact/School District Analysis, Market Feasibility and Economic Impact Summary Analysis, dated August 16, 2017 by Nelson, Pope & Voorhis, LLC (NPV);
2. New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.; and
3. Ryan et al. v. Town of Hempstead Industrial Development Agency et al.; and

WHEREAS, the Agency’s Uniform Tax Exemption Policy (the **“UTEP”**), which such UTEP is annexed hereto as Exhibit F, provides for the granting of financial assistance by the Agency for unusual projects pursuant to Sections 3(B), 8(A) and 8(C); 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; and

WHEREAS, the Agency constitutes an “Involved Agency” (as defined in SEQR); and

WHEREAS, the construction and operation of the Facility is an “Action” under SEQR; and

WHEREAS, the Facility is part of a larger Action, specifically, the Meadows at Yaphank Planned Development District; and

WHEREAS, the Applicant and/or its predecessor in interest submitted a request for rezoning to Planned Development District to the Brookhaven Town Board (“**Town Board**”) for the Meadows at Yaphank Planned Development district (the “**Action**”); and

WHEREAS, the Company submitted to the Brookhaven Town Board, a Draft Environmental Impact Statement (“**DEIS**”) for the Action and the Brookhaven Town Board accepted such DEIS on April 11, 2011; and

WHEREAS, the Brookhaven Town Board held a public hearing on the DEIS on May 10, 2011, and the Brookhaven Town Board accepted written comments until June 25, 2011; and

WHEREAS, the Company submitted to the Brookhaven Town Board, a Final Environmental Impact Statement (“**FEIS**”), including the responses to all comments, and such FEIS was accepted by the Brookhaven Town Board on August 16, 2011; and

WHEREAS, the Brookhaven Town Board issued its Lead Agency findings statement on October 4, 2011; and

WHEREAS, as an Involved Agency, the Agency must make its own findings under SEQR prior to funding, undertaking, or approving an Action; and

WHEREAS, the Agency has reviewed the DEIS, the FEIS and the documents incorporated by reference therein, as well as such other documents as the Agency felt it necessary or appropriate to examine to adequately review the proposed Action; and

WHEREAS, the Agency finds that the Findings Statement attached hereto as Exhibit D accurately and adequately examines environmental issues presented by the Action; and

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

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

Section 1. The Agency hereby adopts the Lead Agency's Findings Statement attached hereto as Exhibit D as its own Findings Statement under SEQ. R.

Section 2. Having considered the DEIS and FEIS, and such other documents as may be necessary or appropriate, the Agency certifies that:

(a) The requirements of 6 NYCRR Part 617 have been met;

(b) Consistent with the social, economic and other essential considerations, from among the reasonable alternatives thereto, the Action is one which minimizes or avoids adverse environmental effects to the maximum extent practicable, including effects disclosed in the environmental impact statement.

(c) Consistent with social, economic, and other essential considerations, to the maximum extent practicable, adverse environmental effects revealed in the environmental impact statement will be minimized or avoided by incorporating as conditions those mitigative measures which were identified as practicable

Section 3. In connection with the acquisition, construction and equipping of the Facility the Agency hereby makes the following determinations and findings based upon information provided by the Company with respect to the Facility, including, the Requisite Materials and other public information:

(a) There is a lack of affordable, safe, clean and modern rental housing in the Town of Brookhaven;

(b) Such lack of rental housing has resulted in individuals leaving the Town of Brookhaven and therefore adversely affecting employers, businesses, retailers, banks, financial institutions, insurance companies, health and legal services providers and other merchants in the Town of Brookhaven and otherwise adversely impacting the economic health and well-being of the residents of the Town of Brookhaven, employers, and the tax base of the Town of Brookhaven;

(c) The Facility, by providing such rental housing will enable persons to remain in the Town of Brookhaven and thereby to support the businesses, retailers, banks, and other financial institutions, insurance companies, health care and legal services providers and other merchants in the Town of Brookhaven which will increase the economic health and well-being of the residents of the Town of Brookhaven, help preserve and increase permanent private sector jobs in furtherance of the Agency's public purposes as set forth in the Act, and therefore the Agency finds and determines that the Facility is a commercial project within the meaning of Section 854(4) of the Act;

(d) The Facility will provide services, i.e., rental housing, which but for the Facility, would not otherwise be reasonably accessible to the residents of the Town of Brookhaven.

Section 4. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a "project", as such term is defined in the Act; and

(c) The acquisition, construction and equipping of the Facility and the leasing of the Facility to the Company, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Brookhaven, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, construction and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Brookhaven, Suffolk County, 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 lease the Phase 1b Apartments Equipment to the Phase 1b Apartments Sublessee; and

(g) It is desirable and in the public interest for the Agency to lease the Phase 1b Hotel Equipment to the Phase 1b Hotel Sublessee; and

(h) It is desirable and in the public interest for the Agency to lease the Facility to the Company; and

(i) The Company Lease will be an effective instrument whereby the Agency leases the Land and the Improvements (as defined in the Lease Agreement) from the Company; and

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

(k) The Equipment Lease Agreements will be effective instruments whereby the Agency leases the Equipment to the Sublessees; and

(l) The Agency Compliance Agreements will be effective instruments whereby the Sublessees will provide certain assurances to the Agency with respect to the Facility.



(m) The Loan Documents to which the Agency is a party will be effective instruments whereby the Agency and the Company and/or the Sublessees agree to secure the Loan made to the Company and/or the Sublessees by the Lender.

Section 5. The Agency has assessed all material information included in connection with the Company's application for financial assistance, 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.

Section 6. 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 Company Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) lease the Equipment to each of the Sublessees pursuant to the Equipment Lease Agreements, (vi) execute, deliver and perform the Equipment Lease Agreements, (vii) execute and deliver the Agency Compliance Agreements, (viii) grant a mortgage on and security interests in and to the Facility pursuant to the Loan Documents, and (ix) execute and deliver the Loan Documents to which the Agency is a party.

Section 7. 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 the personal property described in Exhibit A to the Equipment Lease Agreements 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 8. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company and the Sublessees in connection with the acquisition, construction and equipping of the Facility in the form of: (i) exemptions from mortgage recording taxes for one or more mortgages securing the principal amount presently estimated to be \$71,704,000 but not to exceed \$78,000,000 in connection with the financing of the acquisition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, constructing and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$1,794,000 in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof), consistent with the policies of the Agency.

Section 9. Subject to the provisions of this resolution, the Company and the Sublessees are herewith and hereby appointed the agents of the Agency to acquire, construct 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, construct 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, construct and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company and the Sublessees have received exemptions from sales and use taxes for the Facility in an amount not to exceed \$1,794,000, 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 10. The Company and the Sublessees hereby agree to comply with Section 875 of the Act. The Company and the Sublessees further agree that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company and the Sublessees as agents of the Agency pursuant to this Authorizing Resolution are 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 Agency Compliance Agreements.

Section 11. The form and substance of the Company Lease, the Lease Agreement, the Equipment Lease Agreements, the Agency Compliance Agreements, 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 12.

(a) The Chairman, the Chief Executive Officer of the Agency or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease, the Lease Agreement, the Equipment Lease Agreements, the Agency Compliance Agreements, 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, the Chief Executive Officer of the Agency 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, the Chief Executive Officer of the Agency or any member of the Agency shall constitute conclusive evidence of such approval.

(b) 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 13. 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 14. Any expenses incurred by the Agency with respect to the Facility shall be paid by the Company. By acceptance hereof, the Company agrees 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 15. This resolution shall take effect immediately.

ADOPTED: NOVEMBER 15, 2017

ACCEPTED: \_\_\_\_\_, 2017

**ROSE-BRESLIN ASSOCIATES,  
LLC**

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

Name:

Title:



EXHIBIT A

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NOTICE OF PUBLIC HEARING

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NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law will be held by the Town of Brookhaven Industrial Development Agency (the “**Agency**”) on the 14th day of November 2017, at 10:00 a.m. local time, at the Town of Brookhaven Division of Economic Development, 2<sup>nd</sup> Floor, One Independence Hill, Farmingville, New York 11738, in connection with the following matters, New York in connection with the following matters:

Rose-Breslin Associates LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, on behalf of itself and/or the principals of Rose-Breslin Associates LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has requested the Agency’s assistance with the acquisition, construction and equipping of Phase 1b of the Meadows at Yaphank which is part of a multi-phase development. Phase 1b is a mixed-use industrial development facility comprised of two (2) components consisting of (a) the acquisition of an approximately 35.54 acres of land located on the southeast and northeast corners of The Boulevard and Yaphank Woods Boulevard Ext., also known as Tax Map No. 0200-584.00-02.00-001.004 (collectively, the “**Land**”), (b) the construction and equipping of a 295 unit apartment complex consisting of 192 units in four 4-story buildings, 77 units in 2-story townhouse buildings, and 26 units in 2-story carriage house units, consisting of collectively, 80 one-bedroom units, 199 two-bedroom units and 16 three-bedroom units of which 29 are affordable units (including 18 one-bedroom units, 10 two-bedroom units and 1 three-bedroom unit), all totaling approximately 482,480 square feet located on an approximately 32.84 acre portion of the Land, including, but not limited to, equipment and furnishings , along with a 6,800 square foot clubhouse for use by the residents of the units (collectively, the “**Phase 1b Apartments**”), to provide much needed rental housing on Long Island, and (c) the construction and equipping of a 146 suite 4-story hotel with kitchenettes, conference rooms and meeting spaces totaling approximately 96,780 square feet located on an approximately 2.7 acre parcel of the Land and to be known as a Hilton Home 2 Suite Hotel, or such other hotel as may be determined, including, but not limited to, building materials, landscaping, furniture, office equipment, kitchen equipment, pool equipment and gym equipment (collectively, the “**Phase 1b Hotel**”), to serve the needs of business travelers. The Phase 1b Hotel together with the Phase 1b Apartments, are referred to as the “**Phase 1b Facility**”. Each component of the Phase 1b Facility will be leased by the Agency to the Company for further sublease by the Company to various sublessees formed or to be formed by the Company and/or the principals thereof and not yet determined (the “**Sublessees**”). The Agency contemplates that it will enter into one or more Equipment Lease Agreements with the Sublessees, in connection with the equipping and furnishing of each component of the Phase 1b Facility.

In addition, in connection with the Phase 1b Facility, certain public improvements, including utilities, sewers, roadways, sidewalks, curbs, and parking lots may need to be

constructed, renovated, or improved on or across land, lots, and roadways which may be owned or controlled by the Company, the Town of Brookhaven or Suffolk County adjacent to or in the vicinity of the Phase 1b Facility. The Phase 1b Facility will be initially owned, operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company and the Sublessees in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Phase 1b Facility and exemptions from sales and use taxes in connection with the construction and equipping of the Phase 1b Facility and abatement of real property taxes, all consistent with the policies of the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the Sublessees or the location or nature of the Phase 1b Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company with the Agency and an analysis of the costs and benefits of the proposed Phase 1b Facility.

Dated: November 4, 2017

TOWN OF BROOKHAVEN INDUSTRIAL  
DEVELOPMENT AGENCY

By: Lisa MG Mulligan  
Title: Chief Executive Officer

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON  
NOVEMBER 14, 2017

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY  
(ROSE-BRESLIN ASSOCIATES, LLC 2017 FACILITY)

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Section 1. Lisa MG Mulligan, Chief Executive Officer of the Town of Brookhaven Industrial Development Agency (the “**Agency**”) called the hearing to order.

Section 2. Lisa MG Mulligan then appointed herself the hearing officer of the Agency, to record the minutes of the hearing.

Section 3. The hearing officer then described the proposed transfer of the real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility as follows:

Rose-Breslin Associates LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, on behalf of itself and/or the principals of Rose-Breslin Associates LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has requested the Agency’s assistance with the acquisition, construction and equipping of Phase 1b of the Meadows at Yaphank which is part of a multi-phase development. Phase 1b is a mixed-use industrial development facility comprised of two (2) components consisting of (a) the acquisition of an approximately 35.54 acres of land located on the southeast and northeast corners of The Boulevard and Yaphank Woods Boulevard Ext., also known as Tax Map No. 0200-584.00-02.00-001.004 (collectively, the “**Land**”), (b) the construction and equipping of a 295 unit apartment complex consisting of 192 units in four 4-story buildings, 77 units in 2-story townhouse buildings, and 26 units in 2-story carriage house units, consisting of collectively, 80 one-bedroom units, 199 two-bedroom units and 16 three-bedroom units of which 29 are affordable units (including 18 one-bedroom units, 10 two-bedroom units and 1 three-bedroom unit), all totaling approximately 482,480 square feet located on an approximately 32.84 acre portion of the Land, including, but not limited to, equipment and furnishings, along with a 6,800 square foot clubhouse for use by the residents of the units (collectively, the “**Phase 1b Apartments**”), to provide much needed rental housing on Long Island, and (c) the construction and equipping of a 146 suite 4-story hotel with kitchenettes, conference rooms and meeting spaces totaling approximately 96,780 square feet located on an approximately 2.7 acre parcel of the Land and to be known as a Hilton Home 2 Suite Hotel, or such other hotel as may be determined, including, but not limited to, building materials, landscaping, furniture, office equipment, kitchen equipment, pool equipment and gym equipment (collectively, the “**Phase 1b**”).

**Hotel**”), to serve the needs of business travelers. The Phase 1b Hotel together with the Phase 1b Apartments, are referred to as the **“Phase 1b Facility”**. Each component of the Phase 1b Facility will be leased by the Agency to the Company for further sublease by the Company to various sublessees formed or to be formed by the Company and/or the principals thereof and not yet determined (the **“Sublessees”**). The Agency contemplates that it will enter into one or more Equipment Lease Agreements with the Sublessees, in connection with the equipping and furnishing of each component of the Phase 1b Facility.

In addition, in connection with the Phase 1b Facility, certain public improvements, including utilities, sewers, roadways, sidewalks, curbs, and parking lots may need to be constructed, renovated, or improved on or across land, lots, and roadways which may be owned or controlled by the Company, the Town of Brookhaven or Suffolk County adjacent to or in the vicinity of the Phase 1b Facility. The Phase 1b Facility will be initially owned, operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company and the Sublessees in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Phase 1b Facility and exemptions from sales and use taxes in connection with the construction and equipping of the Phase 1b Facility and abatement of real property taxes, all consistent with the policies of the Agency.

Section 4. The hearing officer then opened the hearing for comments from the floor for or against the proposed transfer of real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

N/A

Section 5. The hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at 10:30 a.m.



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

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

That I have compared the foregoing copy of the minutes of a public hearing held by the Town of Brookhaven Industrial Development Agency (the "Agency") on November 14, 2017, at 10:00 a.m., local time, at the Town of Brookhaven Division of Economic Development, 2<sup>nd</sup> Floor, One Independence Hill, Farmingville, New York 11738, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

IN WITNESS WHEREOF, I have hereunto set my hand as of November 14, 2017.



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Secretary

EXHIBIT C -1

Proposed Phase 1b Apartments PILOT Schedule

Payments for In-Lieu-of-Taxes Payment: Town of Brookhaven (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), Longwood Central School District, Suffolk County and Appropriate Special Districts.

<u>Year</u>	<u>Payment</u>
1.	\$455,285
2.	\$533,300
3.	\$611,316
4.	\$689,331
5.	\$767,347
6.	\$845,362
7.	\$923,377
8.	\$1,001,393
9.	\$1,079,408
10.	\$1,157,424
11.	\$1,235,439
12.	\$1,313,454
13.	\$1,391,470
14.	\$1,469,485
15.	\$1,547,501

and thereafter 100% of full taxes and assessments on the Facility

EXHIBIT C -2

Proposed Phase 1b Hotel PILOT Schedule

Payments for In-Lieu-of-Taxes Payment: Town of Brookhaven (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), Longwood Central School District, Suffolk County and Appropriate Special Districts.

<u>Year</u>	<u>Payment</u>
1.	\$8,176
2.	\$8,340
3.	\$8,506
4.	\$8,677
5.	\$8,850
6.	\$9,027
7.	\$9,208
8.	\$9,392
9.	\$9,580
10.	\$9,771
11.	\$798,078
12.	\$814,039
13.	\$830,320
14.	\$846,927
15.	\$863,865

and thereafter 100% of full taxes and assessments on the Facility

EXHIBIT D

SEQR Findings Statement

## EXHIBIT E

### Requisite Materials

- Exhibit E-1 Addendum to Tax Impact/School District Analysis, Market Feasibility and Economic Impact Summary Analysis, dated August 16, 2017 by Nelson, Pope & Voorhis, LLC (NPV).
- Exhibit E-2 New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.
- Exhibit E-3 Ryan et al. v. Town of Hempstead Industrial Development Agency et al.

Exhibit E-1

Addendum to Tax Impact/School District Analysis, Market Feasibility and Economic Impact Summary Analysis, dated August 16, 2017 by Nelson, Pope & Voorhis, LLC (NPV).

Exhibit E-2

New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq

Ryan et al. v. Town of Hempstead Industrial Development Agency et al.



EXHIBIT F

Town of Brookhaven Industrial Development Agency Uniform Tax Exemption Policy