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Date: June 17, 2015

At a meeting of the Town of Brookhaven Industrial Development Agency (the “**Agency**”), held at 8:00 a.m. local time, the Town of Brookhaven Department of Economic Development, 1 Independence Hill, 3<sup>rd</sup> Floor, Farmingville, New York 11738, on the 17<sup>th</sup> day of June, 2015, the following members of the Agency were:

Present:

Recused:

Absent:

Excused:

Also Present:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the consent to the subleasing of a portion of the Agency’s Grucci Properties East, LLC/ Pyrotechnic by Grucci Inc./Fireworks by Grucci, Inc. Facility to Bold Systems, LLC.

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY PERTAINING TO THE CONSENT TO THE SUBLEASING OF A PORTION OF THE AGENCY'S GRUCCI PROPERTIES EAST, LLC/ PYROTECHNIC BY GRUCCI INC./FIREWORKS BY GRUCCI, INC. FACILITY AND APPROVING THE FORM, SUBSTANCE, EXECUTION AND DELIVERY 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 65 of the Laws of 1975 of the State of New York, as the same may be 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 certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency has previously assisted in the acquisition, construction, equipping and leasing of an industrial development facility to the Crossvets Realty, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the "**Original Company**"), Bold Systems, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having an office at 2805 Veterans Highway, Suite 20, Ronkonkoma, New York 11779 ("**Bold Systems**") and Bold Appellate Solutions, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York ("**Bold Appellate Solutions**"; and together with Bold Systems, the "**Original Sublessees**"), consisting of the acquisition of an approximately 1.75 acre parcel of land located within the Brookhaven Industrial Park on Pinehurst Drive, Bellport, Town of Brookhaven, Suffolk County, New York (further identified as Tax Map. No. 0200-813-01.00-008.029) (the "**Land**"), and the construction and equipping thereon of an approximately 19,197 square foot building including, without limitation, the furnishing and equipping of office and warehouse space (together with the Land, the "**Original Facility**"); and

WHEREAS, the Agency previously leased the Original Facility to the Original Company pursuant to the terms of a Lease Agreement, dated as of June 1, 2009 (the "**Original Lease Agreement**"), by and between the Agency and the Original Company, a memorandum of which Original Lease Agreement was recorded in the Suffolk County Clerk's Office on July 8, 2009 in Liber 12592 page 814; and

WHEREAS, the Original Company previously subleased approximately one-half of the Original Facility to Bold Systems and approximately one-half of the Original Facility to Bold Appellate Solutions, pursuant to the terms of a certain Sublease Agreement, dated June 22, 2009 (the "**Original Sublease Agreement**"), by and between the Assignor and the Original Sublessees, a memorandum of which Original Sublease Agreement was recorded in the Suffolk County Clerk's Office on July 8, 2009 in Liber 12592 page 815; and

WHEREAS, in connection with such Original Sublease Agreement (i) the Agency and Bold Systems entered into an Agency Compliance Agreement, dated as of June 1, 2009 (the "**Bold Systems Agency Compliance Agreement**"); and (ii) the Agency and Bold

Appellate Solutions entered into an Agency Compliance Agreement, dated as of June 1, 2009 (the “**Bold Appellate Solutions Agency Compliance Agreement**”; and, together with the Bold Systems Agency Compliance Agreement, the “**Original Agency Compliance Agreements**”); and

WHEREAS, in connection with the leasing and the subleasing of the Original Facility, the Agency, the Original Company and the Original Sublessees entered into (i) a Payment-in-Lieu-of-Tax Agreement, dated as of June 1, 2009 (the “**Original PILOT Agreement**”), whereby the Original Company and the Original Sublessees agreed to make payments-in-lieu-of taxes with respect to the Original Facility; (ii) a Recapture Agreement, dated as of June 1, 2009 (the “**Original Recapture Agreement**”), whereby the Original Company and the Original Sublessees provided assurances to the Agency with respect to the recapture of benefits granted under the Original Lease Agreement, Original PILOT Agreement and other related documents; and (iii) an Environmental Compliance and Indemnification Agreement, dated as of June 1, 2009 (the “**Original Environmental Compliance and Indemnification Agreement**”), whereby the Original Company and the Original Sublessees agreed to comply with all Environmental Laws (as defined therein) applicable to the Original Facility; and

WHEREAS, the Agency consented to a request by the Original Company to the assignment by Original Company of all of its rights, title, interest and obligations under the Lease Agreement, the PILOT Agreement, the Recapture Agreement and the Environmental Compliance and Indemnification Agreement in connection with the Facility to Grucci Properties East, LLC (the “**Successor Company**”), and the release of the Original Company from any further liability with respect to the Facility subject to certain requirements of the Agency and the termination of the Original Sublessees Sublease Agreement (collectively, the “**Assignment**”); and

WHEREAS, the Original Company’s leasehold interest in the Original Facility was assigned by the Original Company to the Successor Company pursuant to and in accordance with a certain Assignment, Assumption and Amendment Agreement, dated August 16, 2013 (the “**Assignment, Assumption and Amendment Agreement**”), by and among the Agency, the Original Company, the Original Sublessees, the Successor Company and the Successor Sublessees, whereby the Successor Company assumed all of Original Company’s right, title, interest, liability, duties and obligations with respect to the Original Facility, including but not limited to, all of the right, title, interest, liability, duties and obligations of the Original Company under the Transaction Documents (as defined in the Lease Agreement), including, without limitation, the Original Lease Agreement, the Original PILOT Agreement, the Original Recapture Agreement and the Original Environmental Compliance and Indemnification Agreement; and

WHEREAS, the Original Sublessees’ leasehold interest in the Original Facility was assigned by the Original Sublessees to the Successor Sublessees pursuant to and in accordance with the Assignment, Assumption and Amendment Agreement, whereby the Successor Sublessees will assume all of Original Sublessees’ right, title, interest, liability, duties and obligations with respect to the Original Facility, including but not limited to, all of the right, title, interest, liability, duties and obligations of the Original Sublessees under the

Transaction Documents (as defined in the Lease Agreement), including, without limitation, the Original PILOT Agreement, the Original Recapture Agreement and the Original Environmental Compliance and Indemnification Agreement; and

WHEREAS, the Agency and the Successor Company evidenced the assignment of the Original Company's leasehold interest in the Original Lease Agreement to the Assignee pursuant to and in accordance with the Amended and Restated Lease Agreement, dated as of August 1, 2013 (the "**Amended and Restated Lease Agreement**"; and, together with the Original Lease Agreement, the "**Lease Agreement**"), by and between the Agency and the Successor Company, and a memorandum of Amended and Restated Lease Agreement was to be presented for recording in the Suffolk County Clerk's office; and

WHEREAS, the Successor Company further requested the Agency assist in (a) the renovation and equipping of the Original Facility, including, but not limited to, office furniture, fixtures and equipment (collectively, the "**Improvements**") and the acquisition and installation of certain equipment not part of the Equipment (as such term is defined in Exhibit A to the Equipment Lease Agreements, each dated as of August 1, 2013 (collectively, the "**Equipment Lease Agreements**"), by and between the Agency and the respective Successor Sublessees) (the "**Facility Equipment**"; and, together with the Facility and Improvements, the "**Company Facility**"), all to be leased by the Agency to the Assignee for further sublease by the Assignee of a portion of the Company Facility to, and use by Fireworks by Grucci and by Pyrotechnique by Grucci, and (b) the acquisition and installation of certain equipment (the "**Equipment**"), which Equipment is to be leased by the Agency to the Sublessees for use in their respective businesses (the Company Facility and the Equipment collectively referred to herein as the "**Facility**"); and

WHEREAS, in connection with the leasing and subleasing of the Facility the Agency, the Successor Company and the Successor Sublessees entered into a certain Amended and Restated PILOT Agreement, dated as of August 1, 2013 (the "**Amended and Restated PILOT Agreement**"; and, together with the Original PILOT Agreement, the "**PILOT Agreement**"), by and among the Agency, the Successor Company and the Successor Sublessees; and

WHEREAS, in connection with the leasing and subleasing of the Facility the Agency, the Successor Company and the Successor Sublessees entered into a certain Amended and Restated Recapture Agreement, dated as of August 1, 2013 (the "**Amended and Restated Recapture Agreement**"; and, together with the Original Recapture Agreement, the "**Recapture Agreement**"), by and among the Agency, the Successor Company and the Successor Sublessees, and such Amended and Restated Recapture Agreement was to be presented for recording in the Suffolk County Clerk's office; and

WHEREAS, in connection with the leasing and subleasing of the Facility the Agency, the Successor Company and the Successor Sublessees entered into a certain Amended and Restated Environmental Compliance and Indemnification Agreement, dated as of August 1, 2013 (the "**Amended and Restated Environmental Compliance and Indemnification Agreement**"; and, together with the Original Environmental Compliance and

Indemnification Agreement, the “**Environmental Compliance and Indemnification Agreement**”), by and among the Agency, the Successor Company and the Successor Sublessees; and

WHEREAS, the Successor Company is now in negotiations to sublease a portion of the Facility totaling approximately a 2,500 square foot floor area, on a month-to-month basis, to Bold Systems, LLC (the “**Sublessee**”), to be used for general office use, initially employing approximately seven (7) full-time and two (2) seasonal employees; and

WHEREAS, the Successor Company has requested that the Agency consent to the subleasing of a portion of the Facility to the Sublessee; and

WHEREAS, the Facility may not be subleased, in whole or in part, without the prior written consent of the Agency; and

WHEREAS, such consent may be manifested by the execution and delivery of a Tenant Agency Compliance Agreement, to be dated a date to be determined, between the Agency and the Sublessee (the “**Tenant Agency Compliance Agreement**”); and

WHEREAS, the Successor 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 subleasing of a portion of the Facility;

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

Section 1. The Agency hereby finds and determines:

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

(b) The subleasing of a portion of the Facility to the Sublessee 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.

(c) Based on the certification of the Sublessee in the Tenant Agency Compliance Agreement, the occupancy of the Facility by the Sublessee shall not result in the removal of a facility or plant of 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 Sublessee located within the State; unless: (i) such occupation of the Facility is reasonably necessary to discourage the Sublessee from removing such other plant or facility to a location outside the State, or (ii) such occupation of the Facility is reasonably necessary to preserve the competitive position of the Sublessee in its industry.

(d) It consents to the subleasing of a portion of the Facility to the Sublessee.

(e) The execution of the Tenant Agency Compliance Agreement will satisfy the requirement of Section 9.3 of the Lease Agreement that any subleasing of the Facility be consented to in writing by the Agency.

(f) It is desirable and in the public interest for the Agency to consent to the subleasing of a portion of the Facility and to enter into the Tenant Agency Compliance Agreement.

Section 2. In consequence of the foregoing, the Agency hereby determines to enter into the Tenant Agency Compliance Agreement.

Section 3. The form and substance of the Tenant Agency Compliance Agreement and (in substantially the form presented to the Agency and which, prior to the execution and delivery thereof, may be redated) is hereby approved.

Section 4.

(a) The Chairman, the Chief Executive Officer, or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Tenant Agency Compliance Agreement, in substantially the form thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, the Chief Executive Officer, or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, the Chief Executive Officer, and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, the Chief Executive Officer, or any member of the Agency shall constitute conclusive evidence of such approval.

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

Section 6. This resolution shall take effect immediately.

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 annexed extract of the minutes of the meeting of the Town of Brookhaven Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 17th day of June, 2015, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 17th day of June, 2015.

By \_\_\_\_\_  
Secretary



**RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY AND TAKING OFFICIAL ACTION AUTHORIZING THE EXECUTION, DELIVERY AND PERFORMANCE OF AGREEMENTS AND TAKING OF CERTAIN OTHER ACTION PERTAINING TO THE FACILITY FOR RPMV REALTY LLC AND/OR CRESTWOOD FARMS, INC., CRESTWOOD DISTRIBUTION LLC, NORTH SHORE DAIRY, INC., WHEY HOME INC., GREAT AMERICAN DAIRY INC., LONG ISLAND FARMS INC. AND/OR ANY OF THE PRINCIPALS OF RPMV REALTY LLC AND/OR CRESTWOOD FARMS, INC., CRESTWOOD DISTRIBUTION LLC, NORTH SHORE DAIRY, INC., WHEY HOME INC., GREAT AMERICAN DAIRY INC., LONG ISLAND FARMS INC. AND/OR OTHER ENTITY TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING, INCLUDING APPOINTING RPMV REALTY LLC AND/OR CRESTWOOD FARMS, INC., CRESTWOOD DISTRIBUTION LLC, NORTH SHORE DAIRY, INC., WHEY HOME INC., GREAT AMERICAN DAIRY INC., LONG ISLAND FARMS INC. AND/OR ANY OF THE FOREGOING PERSONS AND/OR ENTITIES AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING A COMMERCIAL 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, RPMV REALTY LLC, a New York limited liability company on behalf of itself and/or the principals of RPMV REALTY LLC (the “Company”), and CRESTWOOD FARMS, INC., a New York business corporation, CRESTWOOD DISTRIBUTION LLC, a New York limited liability company, NORTH SHORE DAIRY, INC., a New York business corporation, WHEY HOME INC., a New York business corporation, GREAT AMERICAN DAIRY INC., a New York business corporation, and LONG ISLAND FARMS INC., a New York business corporation, on behalf of themselves and/or their principals and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “Sublessees”), have submitted to the Agency a proposal for the Agency (the “Project”) (a) to assist with (i) the acquisition of an approximately 1.433 acre parcel of land located at 32 Sawgrass Drive, Bellport, Town of Brookhaven, Suffolk County, New York (and further identified as Tax Map No. 200-843-2-26.008) (the “Land”), and the renovation of the approximately 12,000 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 Sublessees, (ii) assist with the acquisition and installation therein of certain equipment and personal property (the “Equipment”), which Equipment is to be leased by the Agency to the Sublessees (the Company Facility and the Equipment are collectively referred to herein as the “Facility”), which Facility is to be used by the Sublessees for distribution of milk and food products, (b) to grant mortgage liens thereon and security interests therein, and (c) to provide financial assistance within the meaning of the Act, including the following as they relate to the appointment of the Company or the Sublessees as agents of the Agency with respect to the acquisition, renovation and equipping of the Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under the Facility; 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, the Agency contemplates that it will provide financial assistance to the Company and the Sublessees, consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes on mortgages securing an aggregate principal amount presently estimated to be \$1,255,500.00 but not to exceed \$1,500,000.00, 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, constructing, renovating, and equipping of the Facility, (ii) exemptions from sales and use taxes on the acquisition, renovation and equipping of the Company Facility, including fixtures, furniture and equipment to be installed in the Company Facility or in connection with the purchase of equipment, building materials, services or other personal property part of or to become part of the Company Facility, in an amount not to exceed \$5,000.00, (iii) exemptions from sales and use taxes on the acquisition and installation of the Equipment, including building materials, services or other personal property, in an amount not to exceed \$10,000.00, and (iv) 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, the Agency contemplates it will acquire a leasehold interest in the Land and Improvements under a certain Company Lease Agreement (the “Company Lease Agreement”), by and between the Company and the Agency, for a term of approximately ten (10) years, and sublease the Company Facility to the Company under a certain Lease Agreement (the “Lease Agreement”), by and between the Agency and the Company, for a term of approximately ten (10) years; and

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

WHEREAS, the Agency contemplates the Agency will lease the Equipment to the Sublessees under a certain Equipment Lease Agreement (the “Equipment Lease Agreement”), by and between the Agency and the Sublessees, for a term of approximately one (1) year; and

WHEREAS, the Agency contemplates the Agency, the Company and the Sublessees will enter into a certain Payment-In-Lieu-of-Tax Agreement (the “PILOT Agreement”) in order to define the Company’s and the Sublessees’ obligations regarding payments in lieu of taxes with respect to the Facility; and

WHEREAS, the Agency contemplates the Agency, the Company and the Sublessees will enter into a certain Recapture Agreement (the “Recapture Agreement”) in order to provide assurances with respect to the recapture of certain benefits granted under or by virtue of the PILOT Agreement, the Lease Agreement, the Equipment Lease Agreement and other agreements, including mortgage recording tax exemptions; and

WHEREAS, the Agency contemplates the Agency, the Company, the Sublessees and others will enter into a certain Agency Compliance and Guaranty Agreement (the “Agency Compliance and Guaranty Agreement”) in order to provide assurances to the Agency with respect to the Company’s and the Sublessees’ obligations to the Agency and compliance with environmental laws; and

WHEREAS, in order to finance a portion of the costs of the Project, the Company and the Sublessees anticipate either or both of them may obtain loans from a lender or lenders (collectively, the “Bank”) and in order to secure the obligations of the Company and/or the Sublessees and/or others to the Bank, the Agency contemplates that, at the request of the Company and/or the Sublessees, the Agency, the Company and/or the Sublessee and/or or others will execute and deliver a mortgage or mortgages or a security agreement or security agreements in favor of the Bank, including replacements, substitutions, extensions and additions to such mortgage(s) and security agreement(s)), with a limitation of the Agency’s liability thereunder (collectively, the “Mortgage”) for the purpose of subjecting Agency’s interest in the Company Facility and/or the Equipment to the lien of the Mortgage; and

WHEREAS, a public hearing (the “Hearing”) was held on June 10, 2015, 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 Sublessees and to the representations by the Company and the Sublessees that the proposed transfer of real estate is either an inducement to the Company and the Sublessees to maintain or expand the Facility in the Town of Brookhaven or is necessary to maintain the competitive position of the Company and the Sublessees in their industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “SEQR Act” or “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 Sublessees have prepared and submitted to the Agency and Environmental Assessment Form and related documents (the “Questionnaire”) with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency.

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

Section 1. Based upon the Environmental Assessment Form completed by the Company and/or the Sublessees and reviewed by the Agency and other representations and information furnished by the Company and/or the Sublessees 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 that Act 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 leasing of the Land and Improvements by the Agency from the Company, the acquisition, renovation and equipping of the Company Facility, the leasing of the Company Facility to the Company, the subleasing of the Company Facility by the Company to the Sublessees, the acquisition and installation of the Equipment, the leasing of the Equipment to the Sublessees, the providing of financial assistance to the Company and the Sublessees within the meaning of the Act, and the granting of 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;

d. Based upon the representations of the Company and the Sublessees:

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 Sublessees to maintain and expand their operations within the State of New York, and to preserve the competitive positions of the Company and the Sublessees, and shall not result in the removal of a facility or plant of the Company or any of the Sublessees 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 any of the Sublessees located within the State except, as set forth in the Company's and the Sublessees' application, for the purpose of discouraging the Company or the Sublessees from removing such other plant or facility to a location outside the State or to preserve the competitive position of the Company and the Sublessees in their industry; and

v The Facility shall not be used for retail sales.

Section 3. The Agency shall, in furtherance of the purposes of the Act, lease the Land and Improvements from the Company, acquire, renovate, equip, repair and maintain the Facility, lease the Company Facility to the Company, authorize the Company to sublease the Company Facility to the Sublessees, lease the Equipment to the Sublessees, and grant mortgage lien(s) and security interest(s) in the Facility.

Section 4. The Agency hereby authorizes and approves of the following economic benefits to be granted or inure to the benefit of the Company and the Sublessees: (i) exemptions from mortgage recording taxes on mortgages securing an aggregate principal amount

presently estimated to be \$1,255,500.00 but not to exceed \$1,500,000.00, 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, constructing, renovating, and equipping of the Facility, (ii) exemptions from sales and uses taxes in an exemptions from sales and use taxes on the acquisition, renovation and equipping of the Company Facility, including fixtures, furniture and equipment to be installed in the Company Facility or in connection with the purchase of equipment, building materials, services or other personal property part of or to become part of the Company Facility, in an amount not to exceed \$5,000.00, (iii) exemptions from sales and use taxes on the acquisition and installation of the Equipment, including building materials, services or other personal property, in an amount not to exceed \$10,000.00, and (iv) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof), consistent with the policies of the Agency.

Section 5. Subject to, and conditioned upon, the execution and delivery of, and the acceptance by the Agency of, the Company Lease Agreement, Lease Agreement, the Equipment Lease Agreement, the PILOT Agreement, the Recapture Agreement, the Agency Compliance and Guaranty Agreement, and such other documents as may be required by the Agency, and the closing of the transactions contemplated hereby and thereby, the Company and the Sublessees are hereby appointed the true and lawful agents of the Agency to acquire, renovate and equip the Facility, and are authorized to delegate their status as agents of the Agency to the Company's or the Sublessee's agents, subagents, contractors, subcontractors, suppliers, vendors and other parties as the Company or Sublessees may choose for the purpose of acquiring, renovating, or equipping the Facility. The appointment described above includes the following activities as they relate to the acquiring, renovating and equipping of the Facility, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with acquiring, renovating and equipping the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with acquiring, renovating and equipping 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 the Facility. This Agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders receipts writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The appointment hereunder shall expire upon the earliest of (a) June 30, 2016, (b) completion of the initial acquisition, renovation and equipping of the Facility, and (c) the date on which the Company has realized exemptions from sales and use taxes by reason of the Agency's participation in the Project in an aggregate amount of \$5,000.00 or more, or the date on which the Sublessees have collectively realized exemptions from sales and use taxes by reason of the Agency's participation in the Project in an aggregate amount of \$10,000.00 or more, or the date on which the aggregate exemptions from sales and use taxes realized by reason of the Agency's participation in the Project equals or exceeds \$15,000.00; provided however, such appointments may be extended and the amounts of the exemptions may be increased at the sole discretion of the Agency, upon the written request of the Company or the Sublessees, if such activities and improvements are not completed by such time or the additional sales and uses tax

exemptions are necessary. The aforesaid agency appointments expressly exclude the Company and the Sublessees from purchasing 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.

Section 6. 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 Agreement, Lease Agreement, Equipment Lease Agreement, PILOT Agreement, Recapture Agreement, Agency Compliance and Guaranty Agreement, Mortgage (including replacements, substitutions, extensions and additions to such Mortgage) with a limitation of the Agency's liability thereunder, and other instruments, as above contemplated and 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.

Section 7. The Company and the Sublessees hereby agree to comply with Section 875 of the Act. The Company and the Sublessees further agree that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company and Sublessees as agent of the Agency pursuant to this resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the Recapture Agreement.

Section 8. Weinberg Gross & Pergament LLP are hereby appointed Transaction Counsel to the Agency, and is authorized and directed to work with Counsel to the Company, Sublessees and others, to prepare, for submission to the Agency, all documents necessary to effect the transaction described in these resolutions.

Section 9. 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 10. The documents, including the proposed Company Lease Agreement, Lease Agreement, Equipment Lease Agreement, PILOT Agreement, Recapture Agreement, Agency Compliance and Guaranty Agreement and Mortgage, 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 11. 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 Sublessees 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 12. This resolution shall take effect immediately.

EXHIBIT A

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

June \_\_\_\_, 2015

YEAR	PILOT Amount	Tax w/out IDA	Tax Savings
2016/2017	\$9,635.00	\$19,270.00	\$9,635.00
2016/2017	\$9,635.00	\$19,270.00	\$9,635.00
2017/2018	\$9,825.00	\$19,650.00	\$9,825.00
2018/2019	\$10,025.00	\$20,050.00	\$10,025.00
2019/2020	\$10,225.00	\$20,450.00	\$10,225.00
2020/2021	\$10,430.00	\$20,860.00	\$10,430.00
2021/2022	\$10,635.00	\$21,270.00	\$10,635.00
2022/2023	\$10,850.00	\$21,700.00	\$10,850.00
2023/2024	\$11,065.00	\$22,130.00	\$11,065.00
2024/2025	\$11,290.00	\$22,580.00	\$11,290.00
2025/2026	\$11,515.00	\$23,030.00	\$11,515.00



**RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY CONCERNING THE APPLICATION OF THE MINA FAMILY LIMITED PARTNERSHIP II AND/OR T. MINA SUPPLY, INC. AND/OR ANY OF THE PRINCIPALS OF THE MINA FAMILY LIMITED PARTNERSHIP II AND/OR T. MINA SUPPLY, INC. AND/OR OTHER ENTITY TO BE FORMED ON BELAHF OF ANY OF THE FOREGOING.**

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 MINA FAMILY LIMITED PARTNERSHIP II, a New York limited partnership on behalf of itself and/or the principals of THE MINA FAMILY LIMITED PARTNERSHIP II and/or an entity formed or to be formed on behalf of any of the foregoing (the “Company”), and T. MINA SUPPLY, INC., a New York business corporation on behalf of itself and/or the principals of T. MINA SUPPLY, INC. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “Sublessee”), have submitted to the Agency an application (the “Application”) for the Agency (the “Project”) (a) to assist with (i) the acquisition of approximately 4.03 acres of land located at 924 Old Medford Avenue, and no number Old Medford Avenue, Medford, NY, Town of Brookhaven, Suffolk County, New York (and further identified as Tax Map No. 200-697-1-12, 13 and 14) (the “Land”), and the construction of an approximately 12,000 square foot building to be 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, (ii) assist with 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 distribution of water and sewer piping products, (b) to grant mortgage liens thereon and security interests therein, and (c) to provide financial assistance within the meaning of the Act, including the following as they relate to the appointment of the Company or the Sublessee as agents of the Agency with respect to the acquisition, construction, renovation and equipping of the Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of the 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, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs

with respect thereto) installed or placed in, upon or under the Facility (collectively, the foregoing may be referred to as the “Project”); 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, 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 lease transactions and requested financial assistance 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 position of the Company and the Sublessee in their industry.

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

Section 1. The Agency hereby accepts the Application.

Section 2. The Agency hereby authorizes the Chief Executive Officer of the Agency to continue with the review and investigation of the proposed Project to enable the Agency to make its determination whether or not to proceed with the Project and to grant financial assistance, provided that such authorization shall not entitle or permit the Company or the Sublessee to commence, on behalf of the Agency, the acquisition, construction, installation or equipping of the Facility.

Section 3. This resolution does not constitute, and shall not be deemed to constitute, either an approval by the Agency of the Project for the purposes of the Act, SEQRA or any other applicable law, or a commitment by the Agency to approve the Project or to grant financial assistance.

Section 4. 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 5. 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 6. This resolution shall take effect immediately.