



MEETING OF THE TOWN OF ISLIP
INDUSTRIAL DEVELOPMENT AGENCY
SEPTEMBER 17, 2024

Minutes

1. Call the meeting of the **Town of Islip Industrial Development Agency** to order on a motion by James O'Connor and seconded by Angie Carpenter. Chairwoman Angie Carpenter acknowledged that the motion passed and that a quorum was present. Members present in addition to Chairwoman Angie Carpenter were, James O'Connor, Jorge Guadron, John Lorenzo and Michael McElwee.
2. To consider the Adoption of a Resolution on behalf of the **Town of Islip Industrial Development Agency** to approve the minutes from August 13, 2024. On a motion by Jorge Guadron and seconded by James O'Connor said motion was approved 5-0.
3. To Consider an Authorizing Resolution on behalf of **The Town of Islip Industrial Development Agency** and **Albert Kemperle LLC**, located at 5050 Veterans Hwy. Holbrook. On a motion by Jorge Guadron and seconded by Michael McElwee said motion was approved 5-0.
4. To consider an Authorizing Resolution on behalf of **The Town of Islip Industrial Development Agency** and **Lessing's Inc.**, Located at 3525 Sunrise Highway, Islip Terrace. On a motion by James O'Connor and seconded by Micheal McElwee said motion was approved 5-0.
5. To consider the adaption of a Resolution Authorizing the **Town of Islip Industrial Development Agency** to enter a contract with **Grow America** for a feasibility study for Phase II of **The Belmont at Eastview** located at 300 Carleton Avenue. On a motion by James O'Connor and seconded by Michael McElwee said motion was approved 5-0.
6. To consider the adoption of a Resolution Authorizing Assignment and Assumption of **RG 158 Candlewood**, located at 158 Candlewood Rd. Bay Shore. On a motion by Jorge Guadron and seconded by Michael McElwee said motion was approved 5-0.
7. To consider an amendment of the Escrow Agreement entered into with **The Town of Islip Industrial Development Agency** and the **Midway Crossing Project** and extending the agreement by 1 month until October 1st, 2024. On a motion by Angie Carpenter and seconded by James O'Connor said motion was approved 5-0.

8. To consider any other business that comes before the agency, there being none the meeting adjourned on a motion by James O'Connor and seconded by Angie Carpenter.

Date: September 17, 2024

At a meeting of the Town of Islip Industrial Development Agency (the “Agency”), held at 40 Nassau Avenue, Islip, New York 11751 on the 17th day of September 2024 the following members of the Agency were:

Present: Chairwoman, Angie Carpenter

Also Present: Councilmen, James O’Connor, Jorge Guadron, John Lorenzo, and

Micheal McElwee

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 to a certain industrial development facility more particularly described below (Veterans Hwy-Holbrook LLC 2024 Facility) and the leasing of the facility.

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

Voting Aye

Voting Nay

Angie Carpenter
James O’Connor
Jorge Guadron
John Lorenzo
Michael McElwee

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING VETERANS HWY-HOLBROOK LLC., A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF VETERANS HWY-HOLBROOK LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND ALBERT KEMPERLE LLC A DELAWARE LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF ALBERT KEMPERLE LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING, AND EQUIPPING 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 47 of the Laws of 1974 of the State of New York, as amended from time to time (collectively, the “**Act**”), the Town of Islip 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, 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, Veterans Hwy-Holbrook LLC., a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Veterans Hwy-Holbrook LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) and Albert Kemperle LLC a limited liability company organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of Albert Kemperle LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Sublessee**”), have applied to the Agency to enter into a transaction in which the Agency will assist in (a) the acquisition of an approximately 4.08 acre parcel of land located at 5050 Veterans Memorial Highway, Holbrook, New York 11741 (more particularly described as tax map numbers 0500-194.00-02.00-068.000) (the “**Land**”), the renovations of an approximately 7,500 square foot portion of an approximately 51,540 square foot building located on the Land (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as defined below) (the “**Facility Equipment**”; and together with the Land and the Improvements, the “**Company Facility**”), which Company Facility is to be leased by the Agency to the Company and subleased by the Company to the Sublessee; and (b) and the acquisition and installation therein of certain equipment and personal property (the “**Equipment**”; and together with the Company Facility, the “**Facility**”), which

Equipment is to be leased by the Agency to the Sublessee and which Facility is to be used by the Sublessee in its business as a wholesale distributor of automotive finishes and supplies (the “**Project**”); and

WHEREAS, the Agency, by resolution duly adopted on August 13, 2024 (the “**Inducement Resolution**”), decided to proceed under the provisions of the Act; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Facility Equipment and the Equipment, and will sublease and lease the Company Facility to the Company for further sub-sublease to the Sublessee, and will lease the Equipment to the Sublessee; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of September 1, 2024, or such other date as the Chairman, the Executive Director or the Deputy Executive Director 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 Facility Equipment 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 Company Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of September 1, 2024, or such other date as the Chairman, the Executive Director or the Deputy Executive Director 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 Equipment pursuant to a certain Equipment Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the “**Equipment Bill of Sale**”), from the Sublessee to the Agency; and

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

WHEREAS, Sublessee and the Agency will enter into a certain Agency Compliance Agreement, dated as of September 1, 2024, or such other date as may be determined by the Chairman or Executive Director of the Agency and counsel to the Agency (the “**Agency Compliance Agreement**”), whereby the Sublessee will provide certain assurances to the Agency with respect to the Facility; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in the form of (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$4,000,000 but not to exceed \$5,000,000, corresponding to mortgage recording tax exemptions presently estimated to be

\$30,000 but not to exceed \$37,500, 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 in an approximate amount not to exceed \$128,081.25, 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); and

WHEREAS, in accordance with Section 859-a(5)(d) of the Act, the Agency has notified the respective chief executive officer of the Town of Babylon, New York and the Town of Brookhaven, New York of the removal of the Company's and/or Sublessee's facilities, as the case may be, in the Town of Babylon, New York and the Town of Brookhaven, New York and their relocation to the Town of Islip, New York; and

WHEREAS, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed transaction is necessary to maintain the competitive position of the Company and the Sublessee in their industry; and

WHEREAS, the Company and 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 the Sublessee.

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; and

(b) The Facility constitutes a "project", as such term is 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 Islip. The Company has represented to the Agency that they intend to provide and maintain approximately sixty-eight (68) full-time employees at the Facility within the second year after completion of the Facility; and

(d) The acquisition, renovation, and equipping of the Facility, the leasing and subleasing of the Facility to the Company and the Sublessee, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Islip, 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 by the Agency is reasonably necessary to induce the Company and the Sublessee to maintain and expand their business operations in the Town of Islip; and

(f) Based upon representations of the Company and the Sublessee and counsel to the Company and the Sublessee, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip and all regional and local land use plans for the area in which the Facility is located; and

(g) It is desirable and in the public interest for the Agency to sublease the Land and the Improvements and to lease the Facility Equipment to the Company; and

(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 and subleases 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

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

(k) The Agency Compliance Agreement will be an effective instrument whereby the Sublessee will provide certain assurances to the Agency with respect to the Facility; and

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

Section 2. 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 3. 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 the Sublessee pursuant to the Equipment Lease Agreement, (vi) execute, deliver and perform the Equipment Lease Agreement, (vii) execute and deliver the Agency Compliance Agreement, (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 4. 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 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.

The Agency hereby authorizes and approves the following economic benefits to be granted to the Company 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 \$4,000,000 but not to exceed \$5,000,000, corresponding to mortgage recording tax exemptions presently estimated to be \$30,000 but not to exceed \$37,500, 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 in an approximate amount not to exceed \$128,081.25, 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).

Section 5. Subject to the provisions of this resolution, the Company and the Sublessee are herewith and hereby appointed the agent of the Agency to acquire, renovate and equip the Facility. The Company and 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 may choose in order to acquire, renovate and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company and the Sublessee 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 Sublessee, 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 or Sublessee 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 Sublessee 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 or the Sublessee, as agents of the Agency. The aforesaid appointment of the Company as agent of the Agency to acquire, renovate 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 has received exemptions from sales and use taxes in an amount not to exceed \$128,081.25, 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 or the Sublessee, if such activities and improvements are not completed by such time. The aforesaid appointment of the Company and the Sublessee is subject to the execution of the documents contemplated by this resolution.

Section 6. The Company and Sublessee are hereby notified that they will be required to comply with Section 875 of the Act. The Company and Sublessee shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement. The Company and Sublessee are further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company and Sublessee, 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.

Section 7. The form and substance of the Company Lease, the Lease Agreement, the Equipment Lease, the Agency Compliance Agreement, and the Loan Documents (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 8. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director 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, the Agency Compliance Agreement, and the Loan Documents all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Executive Director, Deputy Executive Director 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, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

Section 9. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director 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 10. 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 11. This resolution shall take effect immediately.

EXHIBIT A

Proposed PILOT Benefits

Formula for Payments-In-Lieu-of-Taxes: Town of Islip, (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Sachem Central School District, Suffolk County and Appropriate Special Districts.

Address: 5050 Veterans Memorial Highway, Holbrook, New York 11741

SCTM No: 0500-194.00-02.00-068.000

Normal Tax Due = Those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Islip, Sachem Central School District, Suffolk County and Appropriate Special Districts (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) which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

Formula: 10-year abatement starting at 50% of Normal Tax Due on the taxable assessed value of the facility decreasing 5% annually.

Year

1. 100% Normal Tax on 50% of the taxable assessed value of the Facility.
2. 100% Normal Tax on 55% of the taxable assessed value of the Facility.
3. 100% Normal Tax on 60% of the taxable assessed value of the Facility.
4. 100% Normal Tax on 65% of the taxable assessed value of the Facility.
5. 100% Normal Tax on 70% of the taxable assessed value of the Facility.
6. 100% Normal Tax on 75% of the taxable assessed value of the Facility.
7. 100% Normal Tax on 80% of the taxable assessed value of the Facility.
8. 100% Normal Tax on 85% of the taxable assessed value of the Facility.
9. 100% Normal Tax on 90% of the taxable assessed value of the Facility.
10. 100% Normal Tax on 95% of the taxable assessed value of the Facility.
11. and beyond 100% Normal Tax on the full assessed value of the Facility.

Date: September 17, 2024

At a meeting of the Town of Islip Industrial Development Agency (the “**Agency**”), held at 40 Nassau Avenue, Islip, New York 11751 on the 17th day of September 2024 the following members of the Agency were:

Present: Chairwoman, Angie Carpenter

Also Present: Councilmen, James O’Connor, Jorge Guadron, John Lorenzo and Michael McElwee

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 to a certain industrial development facility more particularly described below (Lessing’s Inc. 2024 Facility) and the leasing of the facility.

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

Voting Aye

Voting Nay

Angie Carpenter
James O’Connor
Jorge Guadron
John Lorenzo
Michael McElwee

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING LESSING'S INC., A NEW YORK BUSINESS CORPORATION, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF LESSING'S INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING, AND EQUIPPING 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 47 of the Laws of 1974 of the State of New York, as amended from time to time (collectively, the "**Act**"), the Town of Islip 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, 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, Lessing's Inc., a New York business corporation, on behalf of itself and/or the principals of Lessing's Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), has applied to the Agency to enter into a transaction in which the Agency will assist in the acquisition of an approximately 13,280 square foot existing building (the "**Demised Premises**") located on an approximately 2.0 acre parcel of land located at 3525 Sunrise Highway, Great River, New York 11739 (the "**Land**") and the renovation and equipping of the Demised Premises (the "**Improvements**"), and the acquisition and installation therein of certain equipment and personal property (the "**Equipment**"; and together with the Land, the Demised Premises and the Improvements, the "**Facility**"), which Facility will be leased by the Agency to the Company, for use as an office building and the Company's corporate headquarters in its business of catering, restaurant and food service operations (the "**Project**"); and

WHEREAS, the Agency, by resolution duly adopted on August 13, 2024 (the "**Inducement Resolution**"), decided to proceed under the provisions of the Act; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Equipment, and will sublease and lease the Facility to the Company; and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of September 1, 2024, or such other date as the Chairman, the Executive Director or the Deputy Executive Director 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 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 September 1, 2024, or such other date as the Chairman, the Executive Director or the Deputy Executive Director 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 contemplates that it will provide financial assistance to the Company in the form of (i) exemptions from sales and use taxes in an approximate amount not to exceed \$43,150, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof); and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transaction is necessary to maintain the competitive position of the Company in its industry; 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 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 Facility preserves the public purposes of the Act by preserving or increasing the number of permanent private sector jobs in the Town of Islip. The Company has represented to the Agency that they intend to provide and maintain approximately seventy-one (71) full-time employees at the Facility within the second year after completion of the Facility; and

(d) The acquisition, renovation, and equipping of the Facility, 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 Islip, 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 by the Agency is reasonably necessary to induce the Company to maintain and expand its business operations in the Town of Islip; and

(f) 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 Islip and all regional and local land use plans for the area in which the Facility is located; and

(g) It is desirable and in the public interest for the Agency to sublease the Land and the Improvements and to lease the Equipment to the Company; and

(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 and subleases 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.

Section 2. 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 3. 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 Facility to the Company pursuant to the Lease Agreement, and (iv) execute, deliver and perform the Lease Agreement.

Section 4. 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 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 5. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, renovation and equipping of the Facility in the form of (i) exemptions from sales and use taxes in an approximate amount not to exceed \$43,150, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A hereof).

Section 6. Subject to the provisions of this resolution, the Company are herewith and hereby appointed the agent of the Agency to acquire, renovate and equip the Facility. The Company is 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 may choose in order to acquire, renovate and equip the Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company 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, as agent 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 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 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, as agents of the Agency. The aforesaid appointment of the Company as agent of the Agency to acquire, renovate 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 has received exemptions from sales and use taxes in an amount not to exceed \$43,150, 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, if such activities and improvements are not completed by such time. The aforesaid appointment of the Company is subject to the execution of the documents contemplated by this resolution.

Section 7. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement. The Company is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company, as agent 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.

Section 8. The form and substance of the Company Lease and the Lease Agreement, (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 9. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease and the Lease Agreement, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, Executive Director, Deputy Executive Director 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, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

Section 10. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director 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. 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 12. This resolution shall take effect immediately.

EXHIBIT A

Proposed PILOT Benefits

Formula for Payments-In-Lieu-of-Taxes: Town of Islip, (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), East Islip School District, Suffolk County and Appropriate Special Districts.

Address: 3525 Sunrise Highway, Great River, New York 11739

SCTM No: 0500-299.00-01.00-011.000

Normal Tax Due = Those payments for taxes and assessments, other than special ad valorem levies, special assessments and service charges against real property located in the Town of Islip, East Islip School District, Suffolk County and Appropriate Special Districts (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) which are or may be imposed for special improvements or special district improvements, that the Company would pay without exemption.

Formula: 10-year abatement starting at 50% of Normal Tax Due on the taxable assessed value of the facility decreasing 5% annually.

Year

1. 100% Normal Tax on 50% of the taxable assessed value of the Facility.
2. 100% Normal Tax on 55% of the taxable assessed value of the Facility.
3. 100% Normal Tax on 60% of the taxable assessed value of the Facility.
4. 100% Normal Tax on 65% of the taxable assessed value of the Facility.
5. 100% Normal Tax on 70% of the taxable assessed value of the Facility.
6. 100% Normal Tax on 75% of the taxable assessed value of the Facility.
7. 100% Normal Tax on 80% of the taxable assessed value of the Facility.
8. 100% Normal Tax on 85% of the taxable assessed value of the Facility.
9. 100% Normal Tax on 90% of the taxable assessed value of the Facility.
10. 100% Normal Tax on 95% of the taxable assessed value of the Facility.
11. and beyond 100% Normal Tax on the full assessed value of the Facility.

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING THE AGENCY TO ENTER INTO A CONTRACT WITH GROW AMERICA FOR THE PRODUCTION OF A FEASIBILITY STUDY IN CONNECTION WITH AN AFFILIATE OF STEEL EQUITIES AND THE MARCUS ORGANIZATION 2024 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 47 of the Laws of 1974 of the State of New York, as may be amended from time to time (collectively, the "**Act**"), the Town of Islip 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, an affiliate of Steel Equities and Marcus Organization and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), has applied to the Town of Islip Industrial Development Agency (the "**Agency**"), to enter into a transaction in which the Agency will assist in the acquisition of several contiguous properties on Carleton Avenue (the "**Project**") and

WHEREAS, the Agency, subject to the provisions of a certain resolution, (the "**Resolution**"), will consider the acquisition of a leasehold interest in the Land and the Improvements and title to the Equipment and will lease and sublease the Facility to the Company, all pursuant to the Act;

WHEREAS, prior to the inducement of the Project, the Agency has required a feasibility report (the "**Feasibility Study**"), together with such letters or reports from interested parties and governmental agencies or officials (the "**Letters of Support**"; and together with the Feasibility Study, 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

WHEREAS, in connection therewith, the Agency will enter into a contract, dated a date to be determined (the "**GA Contract**"), between the Agency and Grow America ("**GA**"), authorizing GA to prepare the Feasibility Study in connection with the Project; 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 execution and delivery of the GA contract.

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; and

(b) The GA Contract will be an effective instrument whereby the Agency authorizes the GA to prepare the Feasibility Study with respect to the Project; and

(c) It is desirable and in the public interest for the Agency to enter into the GA Contract.

Section 2. In consequence of the foregoing, the Agency hereby determines to enter into the GA Contract.

Section 3. The form and substance of the GA Contract (in substantially the form presented to the Agency and which, prior to the execution and delivery thereof, may be redated) are hereby approved.

Section 4.

(a) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the GA Contract in the form the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director 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 certificated, 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 the terms, covenants and provisions of the Agency documents binding upon the Agency.

Section 6. Any expenses incurred by the Agency with respect to the GA Contract and the Project, including the expenses of Transaction Counsel, shall be paid by the Company. 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 Project.

Section 7. This resolution shall take effect immediately.

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

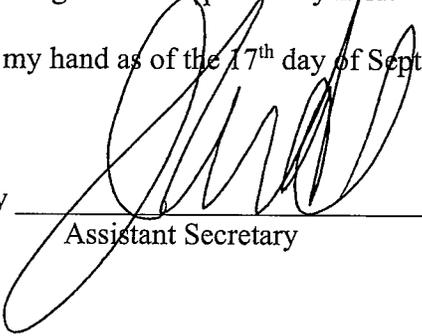
I the undersigned Assistant Secretary of the Town of Islip Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “Agency”), including the resolutions contained therein, held on the 17th day of September, 2024, with the original thereof on the 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 o 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 September, 2024.

By  _____
Assistant Secretary

Date: September 17, 2024

At a meeting of the Town of Islip Industrial Development Agency (the “Agency”), held at 40 Nassau Avenue, Islip, New York 11751 on the 17th day of September 2024, the following members of the Agency were:

Present: Chairwoman Angie Carpenter

Also Present: Councilmen, James O’Connor, Jorge Guadron, John Lorenzo, and Michael McElwee

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 the assignment and assumption of the Agency’s RG 158 Candlewood LLC/Central National Gottesman Inc./Duro Dyne National Corp. 2022 Facility, the execution and delivery of documents with respect thereto and the sale of the Facility to NBPIV Candlewood II LLC and the continued subleasing to Central National Gottesman Inc. and Duro Dyne National Corp.

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

Voting Aye

Voting Nay

Angie Carpenter

James O’Connor

Jorge Guadron

John Lorenzo

Michael McElwee

RESOLUTION OF THE TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE ASSIGNMENT AND ASSUMPTION OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY TO NBPIV CANDLEWOOD II LLC, A DELAWARE LIMITED LIABILITY COMPANY OR ANOTHER ENTITY FORMED OR TO BE FORMED BY NBPIV CANDLEWOOD II LLC, OR THE PRINCIPALS THEREOF AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING 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 47 of the Laws of 1974 of the State of New York, as may be amended from time to time (collectively, the “**Act**”), the Town of Islip 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, the Agency has previously provided its assistance to RG 158 Candlewood LLC, a limited liability company organized and existing under the laws of the State of Delaware (the “**Original Company**”), Central National Gottesman Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Central National Gottesman Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, “**CNG**”) and Duro Dyne National Corp., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Duro Dyne National Corp. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, “**Duro Dyne**”; and, together with CNG, the “**Sublessees**”) in connection with (a) the acquisition of an approximately 13.15 acre parcel of land located at 158 Candlewood Road, Bay Shore, New York 11706 (the “**Land**”), the renovation and equipping of an approximately 197,248 square foot building located on the Land (the “**Improvements**”), and the acquisition and installation of certain equipment and personal property not part of the Equipment (as such term is defined herein) (collectively, the “**Facility Equipment**” and; together with the Land and the Improvements, the “**Company Facility**”) and (b)(i) the acquisition and installation of certain equipment and personal property, including but not limited to, cutting machinery, racking equipment, office furniture and fixtures, IT infrastructure (collectively, the “**CNG Equipment**”), which CNG Equipment is leased by the Agency to CNG, and (ii) the acquisition and installation of certain equipment and personal property, including but not limited to, racking, IT infrastructure, material handling equipment, upgraded electrical and lighting and modular office equipment (collectively, the “**Duro Dyne Equipment**”, and, together with the CNG Equipment, the “**Equipment**”) (the Equipment and the Company Facility, the “**Facility**”), which Duro Dyne Equipment is leased by the Agency to Duro Dyne, and which Company Facility is leased and subleased by the Agency to the Original Company and further subleased by the Original Company of (i) approximately 115,920 square feet of space to CNG and used by CNG in its business of distribution, warehousing,

fulfillment and light manufacturing (the “**CNG Premises**”) and (ii) approximately 81,328 square feet of space to Duro Dyne and used by Duro Dyne in its business as a manufacturer of sheet metal components for the HVAC industry (“**Duro Dyne Premises**”); and together with the CNG Premises, collectively, the “**Project**”); and

WHEREAS, the Original Company agreed to lease the Land and the Improvements to the Agency pursuant to the terms of a certain Company Lease Agreement, dated as of October 1, 2022 (the “**Original Company Lease**”), by and between the Original Company and the Agency; and

WHEREAS, the Original Company transferred title to the Facility Equipment to the Agency pursuant to a certain Bill of Sale, dated October 14, 2022 (the “**Bill of Sale**”); and

WHEREAS, the Agency agreed to sublease and lease the Company Facility to the Original Company, pursuant to the terms of a certain Lease and Project Agreement, dated as of October 1, 2022 (the “**Original Lease Agreement**”), by and between the Agency and the Original Company; and

WHEREAS, the Original Company sub-subleased a portion of the Company Facility pursuant to the terms of a certain Lease, dated as of May 11, 2022 (the “**Original CNG Sublease Agreement**”), by and between the Original Company, as sublessor, and CNG, as sublessee; and

WHEREAS, the Original Company sub-subleased a portion of the Company Facility pursuant to the terms of a certain Lease, dated as of May 16, 2022 (the “**Original Duro Dyne Sublease Agreement**”, and together with the Original CNG Sublease Agreement, the “**Original Sublease Agreements**”), by and between the Original Company, as sublessor, and Duro Dyne, as sublessee; and

WHEREAS, CNG transferred title to the CNG Equipment to the Agency pursuant to a certain CNG Equipment Bill of Sale, dated October 14, 2022 (the “**CNG Equipment Bill of Sale**”); and

WHEREAS, Duro Dyne transferred title to the Duro Dyne Equipment to the Agency pursuant to a certain Duro Dyne Equipment Bill of Sale, dated October 14, 2022 (the “**Duro Dyne Equipment Bill of Sale**”); and

WHEREAS, the Agency agreed to lease the CNG Equipment to CNG pursuant to the terms of a certain CNG Equipment Lease Agreement, dated as of October 1, 2022 (the “**CNG Equipment Lease Agreement**”), by and between the Agency and CNG; and

WHEREAS, the Agency agreed to lease the Duro Dyne Equipment to Duro Dyne pursuant to the terms of a certain Duro Dyne Equipment Lease Agreement, dated as of October 1, 2022 (the “**Duro Dyne Equipment Lease Agreement**”, and together with the CNG Equipment Lease Agreement, the “**Equipment Lease Agreements**”), by and between the Agency and Duro Dyne; and

WHEREAS, the Agency and CNG entered into a CNG Agency Compliance Agreement, dated as of October 1, 2022 (the “**CNG Agency Compliance Agreement**”), wherein the Agency and CNG set forth certain representations with respect to the Facility; and

WHEREAS, the Agency and Duro Dyne entered into a Duro Dyne Agency Compliance Agreement, dated as of October 1, 2022 (the “**Duro Dyne Agency Compliance Agreement**”; and together with the CNG Agency Compliance Agreement, the “**Agency Compliance Agreements**”), wherein the Agency and Duro Dyne set for certain representations with respect to the Facility; and

WHEREAS, pursuant to Section 4.2(b) of the Original Lease Agreement, the sub-subleasehold and leasehold estate created thereby shall terminate at 11:58 p.m. on November 30, 2032 (the “**Lease Term**”); and

WHEREAS, NBPIV Candlewood II LLC, a limited liability company organized under the laws of the State of Delaware on behalf of itself and/or the principals of NBPIV Candlewood II LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Assignee**” and the “**Company**”) has requested the Agency’s consent to the assignment by the Original Company of all of its rights, title, interest and obligations under the Original Company Lease, the Original Lease Agreement, and certain other agreements in connection with the Facility to, and the assumption by, the Assignee of all of such rights, title, interest and obligations of the Original Company, and the release of the Original Company from any further liability with respect to the Facility subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of October 1, 2024, or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the “**Assignment, Assumption and Amendment Agreement**”), by and among the Agency, the Original Company and the Assignee; and

WHEREAS, the Sublessees have represented to the Agency that they will continue to operate in the Facility subsequent to the foregoing assignment and assumption transaction; and

WHEREAS, the Original Company Lease will be assigned by the Original Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Company Lease Agreement, to be dated as of October 1, 2024, or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the “**Assignment of Company Lease**”; and, together with the Original Company Lease, and the Assignment, Assumption and Amendment Agreement, the “**Company Lease**”), by and between the Original Company and the Assignee and consented to by the Agency; and

WHEREAS, the Original Lease Agreement will be assigned by the Original Company and assumed by the Assignee, pursuant to a certain Assignment and Assumption of Lease Agreement, to be dated as of October 1, 2024, or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the “**Assignment of Lease Agreement**”; and, together with the Original Lease Agreement,

and the Assignment, Assumption and Amendment Agreement, the “**Lease Agreement**”), by and between the Original Company and the Assignee, and consented to by the Agency; and

WHEREAS, the Assignee will sublease a portion of the Facility to CNG pursuant to a certain 2024 CNG Sublease Agreement, dated a date to be determined (the “**2024 CNG Sublease Agreement**”), between the Assignee and CNG; and

WHEREAS, the Assignee will sublease a portion of the Facility to Duro Dyne pursuant to a certain 2024 Duro Dyne Sublease Agreement, dated a date to be determined (the “**2024 Duro Dyne Sublease Agreement**”; and together with the 2024 CNG Sublease Agreement, the “**2024 Sublease Agreements**”), between the Assignee and Duro Dyne; and

WHEREAS, the Agency and CNG will enter into a 2024 CNG Agency Compliance Agreement, dated as of October 1, 2024, or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the “**2024 CNG Agency Compliance Agreement**”), wherein the Agency and CNG will set forth certain representations with respect to the Facility; and

WHEREAS, the Agency and Duro Dyne will enter into a 2024 Duro Dyne Agency Compliance Agreement, dated as of October 1, 2024, or such other date as may be determined by the Chairman, Executive Director, Deputy Executive Director and counsel to the Agency (the “**2024 Duro Dyne Agency Compliance Agreement**”; and together with the 2024 CNG Agency Compliance Agreement, the “**2024 Agency Compliance Agreements**”), wherein the Agency and Duro Dyne will set forth certain representations with respect to the Facility; and

WHEREAS, the Agency and the Assignee will enter into such other documents upon advice of counsel, in both form and substance, as may be reasonably required to effectuate the assignment and assumption of the Facility (together with the Assignment, Assumption and Amendment Agreement, the Assignment of Company Lease Agreement and the Assignment of Lease Agreement, collectively, the “**Assignment Documents**”); and

WHEREAS, pursuant to Section 9.3 of the Original Lease Agreement, the Facility may be assigned, in whole or in part, with the prior written consent of the Agency; and

WHEREAS, the Agency contemplates that as part of the aforementioned assignment, the Company will assume the portions of the real property tax abatement contemplated in the Original Lease Agreement that have not, as of the date of the assignment, been used by the Original Company; and

WHEREAS, the Original Company, the Assignee and the Sublessees 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 assignment and assumption 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; and

(b) The Facility constitute a “project”, as such term is defined in the Act; and

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

(d) The leasing and the subleasing of the Facility is reasonably necessary to induce the Assignee and the Sublessees to maintain and expand their respective business operations in the State of New York; and

(e) Based upon representations of the Assignee and counsel to the Assignee, the Facility conforms with the local zoning laws and planning regulations of the Town of Islip, Suffolk County and all regional and local land use plans for the area in which the Facility are located; and

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

(g) It is desirable and in the public interest for the Agency to consent to the transfer of the interest in the Facility from the Original Company to the Assignee; and

(h) The 2024 Agency Compliance Agreements will be an effective instrument whereby the Sublessees will provide certain assurances to the Agency with respect to the Facility; and

(i) The Assignment Documents to which the Agency is a party will be effective instruments whereby the Agency, the Assignee and the Original Company will effectuate the assignment and assumption of the Facility; and

Section 2. The Agency has assessed all material information included in connection with the Assignee’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 Assignee.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) consent to the assignment and assumption of the Facility from the Original Company to and by the Assignee pursuant to the Assignment, Assumption and Amendment Agreement, (ii) execute, deliver and perform the Assignment, Assumption and Amendment Agreement, (iii) consent to the assignment of the Original Company Lease pursuant to the Assignment of

Company Lease; (iv) execute, deliver and perform the Assignment of Company Lease; (v) consent to the assignment and assumption of the Original Lease Agreement pursuant to the Assignment of Lease Agreement; (vi) execute, deliver and perform the Assignment of Lease Agreement; (vii) execute and deliver the 2024 Agency Compliance Agreements; and (viii) execute and deliver the other Assignment Documents.

Section 4. The Agency is hereby authorized to consent to the assignment and assumption of the Facility by the Assignee and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such assignment and assumption are hereby approved, ratified and confirmed.

Section 5. The Agency hereby authorizes and approves the assumption by the Company of the portions of the real property tax abatement contemplated in the Original Lease Agreement that have not been used by the Original Company as of the date of the assignment.

Section 6. The Assignee is hereby notified that it will be required to comply with Section 875 of the Act. The Assignee shall be required to agree to the terms of Section 875 pursuant to the Original Lease Agreement. The Assignee is further notified that the continued abatements provided pursuant to the Act are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Original Lease Agreement, as assigned.

Section 7. The form and substance of the Assignment, Assumption and Amendment Agreement, the 2024 Agency Compliance Agreements, and the other Assignment 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. The Agency, if it deems necessary, is also authorized to amend and restate the Original Lease Agreement in connection with the foregoing.

Section 8.

(a) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Assignment, Assumption and Amendment Agreement, the 2024 Agency Compliance Agreements and the other Assignment Documents to which the Agency is a party, in the form the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by Chairman, Vice Chairman, Executive Director, Deputy Executive Director or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, Executive Director, Deputy Executive Director 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 Original Lease Agreement).

Section 9. 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 10. This resolution shall take effect immediately.

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

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

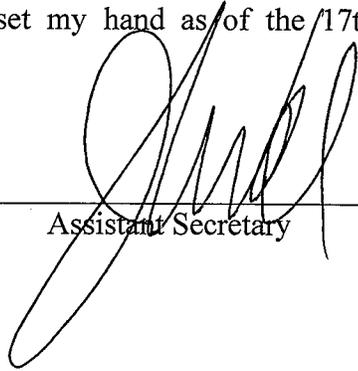
That I have compared the annexed extract of the minutes of the meeting of the Town of Islip Industrial Development Agency (the “Agency”), including the resolutions contained therein, held on September 17, 2024, with the original thereof on file in my office, and that the same is a true and correct copy 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 is 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 September 2024.

By: _____
Assistant Secretary





Peter L. Curry
Partner

Direct Dial: 516.227.0772
Direct Fax: 516.336.2208
pcurry@farrellfritz.com

400 RXR Plaza
Uniondale, NY 11556
www.farrellfritz.com

Our File No.
37511/102

August 9, 2024

VIA E-MAIL – jwalser@townofislip-ny.gov

Mr. John G. Walser, Executive Director
Town of Islip – Office of Economic Development
40 Nassau Blvd
Islip, NY 11751

Re: RG 158 Candlewood LLC/Central National Gottesman Inc./Duro Dyne National Corp. 2022 Facility
Property Address: 158 Candlewood Road, Bay Shore, NY

John:

This firm represents RG 158 Candlewood LLC ("RG 158"), the owner of 158 Candlewood Road, Bay Shore, New York ("158 Candlewood"). 158 Candlewood is currently the subject of a Company Lease, dated August 1, 2022, between RG 158 and the Agency, and a Lease and Project Agreement, dated August 1, 2022, between the Agency and RG 158 (the "Lease Agreement"). This premises is leased to and fully occupied by Central National Gottesman Inc. and Duro Dyne National Corp. under separate subleases.

RG 158 is currently negotiating to convey 158 Candlewood to NB Partners Fund IV REIT LLC ("NB Partners"), an affiliate of NorthBridge Partners LLC, an acquirer and developer of logistics facilities. The potential purchaser holds a significant portfolio of industrial assets. The closing is proposed to close in mid-September.

The sale of 158 Candlewood without Agency approval is a Recapture Event under Section 5.4 of the Lease Agreement. By this letter, RG 158 requests that you place this matter on the next available Agency calendar to consent to the subject sale, and the assignment by RG 158 and assumption by NB Partners of the Company Lease and Lease Agreement. No additional economic assistance is sought in connection with this transaction. The subleases with the existing tenants will remain in full force and effect without modification.

Resolution #:7
Date: September 17,2024

WHEREAS, the **SUFFOLK COUNTY ECONOMIC DEVELOPMENT CORPORATION** (“EDC”), the **TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY** (“IDA”), and the **JONES LANG LASALLE AMERICAS, INC.** (“Company”) (collectively “Parties”) entered into that certain Midway Crossing Escrow Agreement dated as of April 9, 2024 (the “**Escrow Agreement**”), whereby the Parties set forth a proposed course of action for advancing the multi-use, multi-modal redevelopment project being pursued by the County of Suffolk (the “**County**”) and the Town of Islip (the “**Town**”) on certain County-owned and Town-owned property in Ronkonkoma, New York, known as the “**Midway Crossing Project**”, through the creation of a local development corporation under Section 1411 of the New York State Not-For-Profit Corporation Law (such local development corporation, the “**Midway Crossing Local Development Corporation**” or the “**LDC**”);

WHEREAS, the Escrow Agreement required two conditions (the “**Conditions Precedent**”) to be met prior to the formation of the Midway Crossing Local Development Corporation: (i) the Parties must contribute a total of \$200,000.00 (the “**Contribution**”) toward the cost of forming and operating the LDC; and (ii) state and/or federal funding (the “**Government Subsidy**”) must be made available “to the satisfaction of the Parties” in an amount not less than \$100,000,000.00 for the cost of infrastructure and other development needed for the construction of the Midway Crossing Project;

WHEREAS, the Parties have met the first condition with respect to the Contribution, and have pursued with diligence and continuity, and continue to so pursue, the second condition that the Government Subsidy has been made available to the satisfaction of the Parties;

WHEREAS, notwithstanding such diligent and continuous efforts, as of the Effective Date the second condition pertaining to the Government Subsidy remains to be met;

WHEREAS, under Section 8 of the Escrow Agreement, the failure to meet both of the two Conditions Precedent on or before September 1, 2024 (the “**September 1 Deadline**”) would cause the automatic termination of the Escrow Agreement, thereby jeopardizing the advancement of the Midway Crossing Project; and

WHEREAS, the Parties are desirous of entering into a First Amendment to the Escrow Agreement to provide one (1) additional month for the Parties to pursue the Government Subsidy, on the terms set forth below, to prevent the automatic termination of the Escrow Agreement on September 1, 2024.

NOW. THEREFORE, on a motion by Angie Carpenter and seconded by James O’ Connor said motion was approved. 5-0

RESOLVED, that the IDA Board hereby authorizes the Supervisor/Chairwoman to execute the First Amendment to that certain Escrow Agreement dated April 9, 2024, extending

the time to pursue the Government Subsidy for infrastructure and other development needed for the Midway Crossing Project, with the intention to further advance the project.

Upon a vote taken, the result was: Approved 5-0

FIRST AMENDMENT TO MIDWAY CROSSING ESCROW AGREEMENT

This First Amendment (this "**First Amendment**") to the Midway Crossing Escrow Agreement, is made and entered into as of the date (the "**Effective Date**") that this Agreement is last executed by the parties hereto between **SUFFOLK COUNTY ECONOMIC DEVELOPMENT CORPORATION**, a not-for-profit corporation organized and existing under the laws of the State of New York, having its principal office at 100 Veterans Memorial Highway, Hauppauge, New York 11788 (the "**EDC**"), the **TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation created by the State of New York, having its principal office at 40 Nassau Avenue, Islip, New York 11751 (the "**IDA**"), and **JONES LANG LASALLE AMERICAS, INC.**, a Maryland corporation having an office at 330 Madison Avenue, 4th floor, New York, NY 10017 (the "**Company**" or "**Master Developer**"). The EDC, IDA and the Company are sometimes hereinafter individually referred to as a "**Party**" or collectively as the "**Parties**".

WITNESSETH

WHEREAS, the EDC, the IDA, and the Company entered into that certain Midway Crossing Escrow Agreement dated as of April 9, 2024 (the "**Escrow Agreement**"), whereby the Parties set forth a proposed course of action for advancing the multi-use, multi-modal redevelopment project being pursued by the County of Suffolk (the "**County**") and the Town of Islip (the "**Town**") on certain County-owned and Town-owned property in Ronkonkoma, New York, known as the "**Midway Crossing Project**", through the creation of a local development corporation under Section 1411 of the New York State Not-For-Profit Corporation Law (such local development corporation, the "**Midway Crossing Local Development Corporation**" or the "**LDC**");

WHEREAS, the Escrow Agreement required two conditions (the "**Conditions Precedent**") to be met prior to the formation of the Midway Crossing Local Development Corporation: (i) the Parties must contribute a total of \$200,000.00 (the "**Contribution**") toward the cost of forming and operating the LDC; and (ii) state and/or federal funding (the "**Government Subsidy**") must be made available "to the satisfaction of the Parties" in an amount not less than \$100,000,000.00 for the cost of infrastructure and other development needed for the construction of the Midway Crossing Project;

WHEREAS, the Parties have met the first condition with respect to the Contribution, and have pursued with diligence and continuity, and continue to so pursue, the second condition that the Government Subsidy has been made available to the satisfaction of the Parties;

WHEREAS, notwithstanding such diligent and continuous efforts, as of the Effective Date the second condition pertaining to the Government Subsidy remains to be met;

WHEREAS, under Section 8 of the Escrow Agreement, the failure to meet both of the two Conditions Precedent on or before September 1, 2024 (the "**September 1 Deadline**") would cause

the automatic termination of the Escrow Agreement, thereby jeopardizing the advancement of the Midway Crossing Project; and

WHEREAS, the Parties are desirous of entering into this First Amendment to provide one (1) additional month for the Parties to pursue the Government Subsidy, on the terms set forth below, to prevent the automatic termination of the Escrow Agreement on September 1, 2024.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Capitalized Terms. All initially capitalized terms used, but not defined, in this First Amendment shall have the meanings set forth for such terms in the Escrow Agreement.
2. Amendments.
 - (a) Section 8 of the Escrow Agreement is hereby amended and restated in its entirety to read as follows:

“8) No Obligation: Notwithstanding this Escrow Agreement, the Parties hereto recognize and agree that LDC shall have no obligation to commence, continue or conclude the Scope of Work, except as approved by it in accordance with applicable procedures and law. Subject to the foregoing, the Parties hereto will work in good faith to pursue the Scope of Work so as to attain the economic development goals of the LDC and the Midway Crossing Project. Notwithstanding any provision to the contrary, in the event that: (a) on or before October 1, 2024: (i) the Contribution is not fully received by Escrow Agent; and (ii) the Government Subsidy is not confirmed to the satisfaction of the Parties; or (b) on or before November 1, 2024, the LDC shall not be incorporated, then, in either such event, this Escrow Agreement shall terminate automatically without any notice from or further action by the Parties to this Escrow Agreement, and any EDC Contribution, IDA Contribution and/or Company Contribution received by the IDA shall be returned to the respective Party who made such contribution.”
3. Conflict. In the event of a conflict between any provisions contained in this First Amendment and the Escrow Agreement, the provisions contained in this First Amendment shall govern and prevail.
4. No Further Modifications; Ratification; No Waiver. The Escrow Agreement is and shall remain in full force and effect and the parties hereto hereby ratify and confirm all provisions of the Escrow Agreement which, except as amended hereby, remain unchanged. All references to the "Escrow Agreement " in the Escrow Agreement shall mean the Escrow Agreement as modified by this First Amendment.

5. Governing Law. This First Amendment shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without regard to the conflict of laws provisions thereof other than Sections 5-1401 and 5-1402 of the New York General Obligations Law.
6. Severability. Any provision of this First Amendment which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provisions in any other jurisdiction.
7. Counterpart Execution. This First Amendment may be executed in counterparts, each of which shall be deemed an original copy and all of which together shall constitute one agreement binding on the parties hereto, notwithstanding that both the parties shall not have signed the same counterpart. Facsimile signatures are deemed to be equivalent to original signatures for the purposes of this Amendment.

[Balance of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the Parties have caused this Escrow Agreement to be duly executed on or as of the Effective Date.

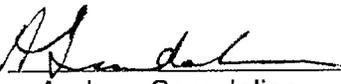
TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY

By: 
Name: John Walser
Title: Executive Director

SUFFOLK COUNTY ECONOMIC DEVELOPMENT CORPORATION

By: _____
Name:
Title:

JONES LANG LASALLE AMERICAS INC.

By: 
Name: Andrew Scandalios
Title: Authorized Signatory

Once created, the Midway Crossing Local Development Corporation will join in the execution of this First Amendment to Escrow Agreement to memorialize its agreement with the provisions contained herein.

MIDWAY CROSSING LOCAL DEVELOPMENT CORPORATION

By: _____
Name:
Title:
Date: