

**MINUTES OF THE MEETING**  
**RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY**  
June 5, 2023

Meeting was called to order at 5:17 PM by Vice Chair Lori Ann Pipczynski.

Present: Lori Ann Pipczynski, Vice Chairwoman  
Lee Mendelson, Treasurer  
Anthony (Tony) Barresi, Secretary  
Douglas Williams, Asst. Treasurer

Absent: James B. Farley, Chairman  
Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director  
William Weir, Counsel (Virtual)  
Terance Walsh, Counsel (Virtual)  
Milan Tyler, Transaction Counsel (Virtual)

Anthony Barresi moved to adopt the proposed agenda. Douglas Williams seconded. The agenda was adopted.

**MINUTES:**

The Board moved to dispense with the reading of and voted on the May 8, 2023 meeting minutes.

**#21-23 RESOLUTION APPROVES MINUTES OF REGULAR MEETING OF May 8th, 2023.**  
Member Lee Mendelson offered the following resolution, which was seconded by Member Anthony Barresi.

**RESOLVED**, the minutes of the meeting of May 8th, 2023 as prepared and e-mailed be and are hereby approved, and

**BE IT FURTHER RESOLVED**, that the copies of said minutes be maintained in the files of the Agency and become a part of the record of the Agency.

**VOTE:** 4 Yes  
1 Absent

**CORRESPONDENCE:** Correspondence was distributed to the board from EPCAL Watch and various email correspondence was forwarded from concerned citizens regarding proposed development to members of the board prior to the meeting.

**TREASURER'S REPORT:**

Cash Balance in as of May 31st	\$ 44,456.15
Money Market	\$ 45,058.24
Revenue for May	\$ 14,160.87
Profit and Loss	\$-8,107.80
Total Expenses Paid	\$ 17,167.88
Project Deposit Account bal.	\$ 76,413.75

Credits were issued for the reduction of late PILOT payment penalties in the amount of \$5,100.79.

**#21-23 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF June 2, 2023**

**WHEREAS**, Denise Cooper, CPA and Tracy Stark-James, Executive Director, submitted monthly financial reports, including a report of expenses, to the Riverhead Industrial Development Agency for the period of May 1 to May 31, 2023 **as attached**,

**NOW, THEREFORE, BE IT RESOLVED**, said monthly financial report dated June 2, 2023 covering the month of May be and are hereby accepted and expenses as listed are authorized for payment.

Member Anthony Barresi made a motion to accept Treasurer's Report, which was seconded by Member Douglas Williams. **Motion approved.**

**VOTE:** 4 Yes  
1 Absent

**COMMITTEE REPORTS:**

**Audit:** None

**Governance Committee:** None

**Finance Committee:** None

**OLD BUSINESS:**

The ED reminded the board that they were previously advised by counsel that the TOR Board of Assessors notified John Wesley Village, LP(JWV) of a pro rata assessment of taxation that would be levied against their property in the 2019/20 tax bill. He advised us at that time of the impact and legal implications of that action as it affected the Agency PILOT payment and subsequent payments by the Agency to the taxing jurisdictions. Pro rata provisions of Real Property Tax Law do not apply to transfers of exempt property to the Agency. Therefore JWV filed a lawsuit seeking to annul this determination and seek a refund of the payment which was \$789,000.

John Wesley Village prevailed against the town assessment, however, it took a couple of years for them to be reimbursed for the overpayment of taxes. The Agency's PILOT agreement with the company states that Pilot payments are replaced by real property taxes if such taxes are charged. Therefore, no pilot was due during this time. Now that John Wesley has been reimbursed, the Agency can collect the PILOT payments that were due during that time.

**RESOLUTION #24-23 AUTHORIZING COLLECTION OF PREVIOUSLY DEFERRED PAYMENT-IN-LIEU-OF-TAX BENEFITS FOR JOHN WESLEY VILLAGE, L.P.**

Lee Mendelson offered the following resolution, which was seconded by Douglas Williams

RESOLUTION OF THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING COLLECTION OF PREVIOUSLY DEFERRED PAYMENT-IN-LIEU-OF-TAX BENEFITS FOR THE JOHN WESLEY VILLAGE, L.P. 2018 FACILITY.

WHEREAS, the Town of Riverhead Industrial Development Agency was created by Chapter 624 of the Laws of 1980 and is a public benefit corporation and an industrial development agency of the State of New York (the "Agency") having those powers set forth in, and subject to the requirements of, Article 18-A of the General Municipal Law; and

WHEREAS, the Agency previously provided its assistance to John Wesley Village, L.P. (the "Company") in connection with: the acquisition and renovation of an existing 115-unit senior subsidized housing rental facility (the "Building") located at Middle Road, Riverhead, New York (SCTM #0600-082.000-0002-004.006)(the "Land"). The renovation shall include kitchen and bathroom replacements, removal of natural gas ranges and replacement with electric ranges, replacement of obsolete breaker panels, replacement of medical pull cord distress system with new wireless, central station monitored system, sidewalk area improvements, upgrade of site and walkway lighting, installation of rooftop photovoltaic solar panels, resurfacing of certain parking areas, and drilling and installation of irrigation wells for on-site landscaping use (the "Equipment") at an estimated cost of \$1,900,000. The facility will be purchased and renovated by the Company (the "Building", the "Land" and "Equipment" collectively known as the "Project"); and

WHEREAS, the Company currently leases the Facility to the Agency pursuant to a certain Company Lease Agreement, dated as of March 28, 2018 (the “**Company Lease**”), between the Company and the Agency; and

WHEREAS, the Agency currently subleases the Facility to the Company pursuant to a certain Lease Agreement, dated as of March 28, 2018 (the “**Lease Agreement**”), between the Agency and the Company; and

WHEREAS, the Agency previously agreed to continue ownership of the Land and the Company agreed to enter into a certain Payment-In-Lieu-Of-Tax Agreement, dated as of March 28, 2018 (the “**PILOT Agreement**”), whereby the Company agreed to make payments-in-lieu-of-taxes (the “**PILOT Payments**”) with respect to the Project; and

WHEREAS, following closing on the Project, the Riverhead Board of Assessors (the “**Board of Assessors**”) billed the Company \$789,000 in the 2019/2020 tax year, which the Company paid and subsequently filed suit against the Board of Assessors; and

WHEREAS, the PILOT Agreement provides that, for any year taxes are charged during the term of the PILOT Agreement, PILOT Payments shall be reduced by a corresponding amount, and therefore the Agency was required to abstain from billing the Company for PILOT Payments until such time as the Company succeeded in obtaining a refund from the Board of Assessors, or the amount of unpaid PILOT payments equaled \$789,000;

WHEREAS, the Agency did not bill the Company for PILOT Payments during the 2019/2020 tax year, the 2020/2021 tax year, and the 2021/2022 tax year, for a total of \$225,000 in deferred PILOT Payments; and

WHEREAS, the Agency has been informed that the Company has succeeded in obtaining a refund from the Board of Assessors in the gross amount of \$760,538.05, and as such the Company now must pay all previously deferred PILOT Payments in the amount of \$225,000; and

WHEREAS, the Agency will now invoice the Company for all unpaid PILOT Payments to date, and any future unpaid PILOT Payments, if any; 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 for the further subleasing by the Company.

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

Section 1. As result of the refund the Company received from the Board of Assessors, the Executive Director and the Chief Financial Officer are hereby authorized to determine the amount of PILOT Payments that have been deferred to date, in the amount of \$225,000, and to send an invoice to the Company to collect such amount, along with any expenses or fees incurred by the Agency or its counsel in connection therewith.

Section 2. The Chairman or Vice Chair, and all members of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company, 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 3. Any expenses incurred by the Agency with respect to the Facility, 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 Facility.

Section 4. This resolution shall take effect immediately.

VOTE: 4 Yes  
1 Absent

**NEW BUSINESS:**

The ED informed the board that the Agency recently received correspondence from Assessor Tennenburg that the board of assessors (BOA) did not believe a significant enough amount of improvements would be made to the Restaurant Depot project property to warrant an increase to the assessment.

She explained that historically this agency has found interior renovations have not typically impacted the assessments on projects, but the agency relies on the assessor's expertise.

The agency had requested and received an estimated assessment on the proposed project from the TOR BOA, a practice the agency does on every project necessary to calculate a projected PILOT payment. The estimate provided by the BOA at the time the project was being processed increased the assessment by \$717,750. Therefore the agency drafted pilot payments based on that projected increase.

As stated, the Assessor's office has now informed the agency that it will not be increasing the assessment. Therefore, the agency needs to adjust the pilot payments.

Additionally, the BOA have chosen to ignore the 412A form which authorizes the IDA to exempt the property. This further complicates matters and Restaurant Depot has been informed. They will have to take it up with the TOR BOA legally.

**RESOLUTION #22-23 AUTHORIZING PUBLICATION OF A NOTICE OF PUBLIC HEARING WITH RESPECT TO THE MODIFICATION OF PAYMENT-IN-LIEU-OF-TAX BENEFITS FOR RD AMERICA, LLC**

Member Anthony Barresi offered the following resolution, which was seconded by Lee Mendelson.

**RESOLUTION OF THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING PUBLICATION OF A NOTICE OF PUBLIC HEARING WITH RESPECT TO THE MODIFICATION OF PAYMENT-IN-LIEU-OF-TAX BENEFITS FOR THE RD AMERICA, LLC 2022 FACILITY.**

WHEREAS, the Town of Riverhead Industrial Development Agency was created by Chapter 624 of the Laws of 1980 and is a public benefit corporation and an industrial development agency of the State of New York (the "Agency") having those powers set forth in, and subject to the requirements of, Article 18-A of the General Municipal Law; and

WHEREAS, the Agency previously provided its assistance to RD America, LLC d/b/a Restaurant Depot, a limited liability company organized and existing under the laws of the State of Delaware and authorized to transact business in the State of New York, on behalf of itself and/or the principals of RD America, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company") in connection with: the acquisition of an approximately 65,250 square foot portion of an approximately 128,455 square foot building (the "Demised Premises"), located on a portion of an approximately 21.89 acre parcel of land located

at Riverhead Plaza Shopping Center, 765 Old Country Road, Riverhead, New York 11901 (the Demised Premises are located on portions of SCTM# 0600-104.00-02.00-016.000 and 019.000) (the “**Land**”), the renovation of and equipping of the Demised Premises, located on a portion of the Land (collectively, the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property including, but not limited to a refrigeration and free equipment, racking, telephones, computers, forklifts and other machinery (collectively, the “**Equipment**”; and together with the Demised Premises and the Improvements, the “**Facility**”), which Facility will be leased and subleased by the Agency to the Company for use in its business as a wholesaler of food and restaurant supplies to independent restaurant owners, caterers, delicatessens and not-for-profits (collectively, the “**Project**”); and

WHEREAS, the Company currently leases the Facility to the Agency pursuant to a certain Company Lease Agreement, dated as of February 1, 2023 (the “**Original Company Lease**”), between the Company and the Agency, a memorandum of which Original Company Lease was submitted for recording in the Suffolk County Clerk’s office; and

WHEREAS, the Agency currently subleases the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of February 1, 2023 (the “**Original Lease Agreement**”), between the Agency and the Company, a memorandum of which Original Lease Agreement was submitted for recording in the Suffolk County Clerk’s office; and

WHEREAS, the payment-in-lieu-of-tax benefits (the “**PILOT Benefits**”) contemplated by the Original Lease Agreement were calculated based on the assumption that the Project Work (as defined in the Original Lease Agreement) would increase the assessed value of the Facility; and

WHEREAS, by letter dated May 1, 2023, the Town of Riverhead Board of Assessors informed the Agency that it would not increase the assessed value of the Facility as a result of the Project Work; and

WHEREAS, the Agency now contemplates amending and modifying the PILOT Benefits, as described in the Original Lease Agreement, in order to adjust the PILOT payments to reflect that the Project Work will not result in an increased assessed value of the Facility (the “**PILOT Amendment**”); and

WHEREAS, in connection with the PILOT Amendment, the Agency contemplates that it will amend the Original Lease Agreement pursuant to a certain Amendment to Lease and Project

Agreement (the “**Amended Lease Agreement**”); and together with the Original Lease Agreement, the “**Lease Agreement**”); and

WHEREAS, the Agency proposes to provide financial assistance to the Company in the form of the modification and amendment of current abatements of real property taxes; and

WHEREAS, as of the date of this resolution, no determination for financial assistance has been made; 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, prior to the date of the Hearing (defined below), the Agency will have prepared a new PILOT schedule and cost-benefit analysis with respect to the proposed financial assistance; and

WHEREAS, prior to the closing of the transaction described herein, a public hearing (the “**Hearing**”) will be held 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 can be heard; and

WHEREAS, notice of the Hearing will be given in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing will be annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration that the amendment and modification of abatement of real property taxes is either an inducement to the Company to maintain the Facility in the Town of Riverhead or 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 for the further subleasing by the Company.



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

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 Facility continues to constitute a "project", as such term is defined in the Act.
- (c) Based upon representations of the Company, and its counsel, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Riverhead and all regional and local land use plans for the area in which the Facility is located.
- (d) The Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder.

Section 2. The continued leasing of the Facility by the Agency to the Company, and the provision of financial assistance pursuant to the Act will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Riverhead and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act, and the same is, therefore, approved.

Section 3. 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, by and between the Company and the Agency. The Company is further notified that the tax exemptions and 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 Lease Agreement.

Section 4. The Chairman or Vice Chair, and all members of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company, 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 5. Any expenses incurred by the Agency with respect to the Facility, 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 Facility.

Section 6. This resolution shall take effect immediately.

VOTE: 4 Yes  
1 Absent

The ED explained that the agency received correspondence from Herman Katz Cangemi and Clyne, a law firm representing Browning Hotels, informing us of a judgement from a tax certiorari they had brought against the TOR BOA for over its assessment. The order corrects an over assessment from 2020, 21, 21 and 23 from 5,054,000 to 3,739,086 for each of those three years. The court order provides that to the extent pilot payments in the preceeding years exceeds the amount due on the now reduced assessment, such excess shall appear as a credit on the near future PILOT payment statements.

The ED further explained that the impact of these judgements and having the PILOT payments make the corrections for the erroneous tax assessments versus getting outright reimbursed, is that the perception by the public and the agency's future reports will be negative. The taxing jurisdictions will not be receiving future anticipated tax revenue from the pilot at a level anticipated.

The ED informed the board that there are six more tax certs that have been filed.

**RESOLUTION #23-23 AUTHORIZING PUBLICATION OF A NOTICE OF PUBLIC HEARING WITH RESPECT TO THE MODIFICATION OF PAYMENT-IN-LIEU-OF-TAX BENEFITS FOR BROWNING HOTEL PROPERTIES, LLC**

Anthony Barresi offered the following resolution, which was seconded by Lee Mendelson.

RESOLUTION OF THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY  
AUTHORIZING PUBLICATION OF A NOTICE OF PUBLIC HEARING WITH RESPECT TO  
THE MODIFICATION OF PAYMENT-IN-LIEU-OF-TAX BENEFITS FOR THE BROWNING  
HOTEL PROPERTIES, LLC 2007 FACILITY.

WHEREAS, the Town of Riverhead Industrial Development Agency was created by Chapter 624 of the Laws of 1980 and is a public benefit corporation and an industrial development agency of the State of New York (the "**Agency**") having those powers set forth in, and subject to the requirements of, Article 18-A of the General Municipal Law; and

WHEREAS, by Application dated November 3, 2006, Browning Hotel Properties, LLC (the "**Company**") sought financial assistance from the Agency for the construction and equipping of a 114 key, 62,589 square foot Hilton Garden Inn Hotel; and

WHEREAS, upon the proceedings held upon the Application, the Agency adopted a determination by resolution dated February 5, 2007 entitled "A RESOLUTION DETERMINING THE PROPOSED BROWNING HOTEL PROPERTIES, LLC PROJECT A "PROJECT," APPROVING THE PROVIDING OF FINANCIAL ASSISTANCE BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO BROWNING HOTEL PROPERTIES, LLC WITH RESPECT THERETO, APPOINTING BROWNING HOTEL PROPERTIES, LLC AGENT OF THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY AND APPROVING DOCUMENTS IN CONNECTION THEREWITH" which resolution provided financial assistance to construct and equip a 114 key, 62,589 square foot Hilton Garden Inn Hotel (the "**Hilton Project**") at a total project cost of \$18,110,489. This facility has been constructed and placed in service and has a valid and subsisting certificate of occupancy; and

WHEREAS, upon proceedings held upon the Application, the Agency adopted a determination by resolution, dated April 6, 2015 entitled "A RESOLUTION APPROVING THE PROVISION OF FINANCIAL ASSISTANCE BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO BROWNING HOTEL PROPERTIES, LLC AND RELATED ENTITIES PHASE II" which resolution provided financial assistance to construct and equip the Phase II facility consisting of 140 key, 114,900 square foot Marriott Residence Inn (the "**Marriott Project**") with meeting space and amenities at a total project cost of \$26,849,775. All documents necessary to provide Agency assistance were executed and delivered at a

closing October 22, 2015. This facility has been constructed and placed in service and has a valid and subsisting Certificate of Occupancy; and

WHEREAS, the Hilton Project and the Marriott Project are a phased development with common features of design for ingress and egress, plantings and site layout on a single tax map parcel at 2012 Old Country Road, Riverhead, New York 11901, Suffolk County Tax Map Number 0600-118-2-3.2 (the "**Tax Map Parcel**"); and

WHEREAS, the Agency required the acceptance of the deed dated May 4, 2007 and the Sale Agreement dated 2007 to be conditioned upon the agreement of the Company to make payments-in-lieu-of-tax payments (the "**PILOT Payments**") with respect to the Land and the Project and that no tax abatements be granted for the Phase II hotel until further application of the Company and the completion of necessary Agency proceedings thereon resulted in Agency approval for abatement of the Phase II facility; and

WHEREAS, the Agency previously agreed to continue ownership of the Land, and the Company agreed to enter into an Amended and Restated Payment In Lieu of Tax Agreement, dated October 22, 2015 (the "**Amended and Restated PILOT Agreement**"), in order to induce the Agency to continue ownership of the Land as provided in the Amendment to Sale Agreement, dated as of October 22, 2015 (the "**Sale Agreement**"); and

WHEREAS, the PILOT Payments required by the Amended and Restated PILOT Agreement are based on the assessed value of the Facility as determined by the Town of Riverhead Board of Assessors (the "**Board of Assessors**") at the time of the execution of the Amended and Restated PILOT Agreement; and

WHEREAS, the Company has duly and successfully challenged the Board of Assessor's assessment of the Facility in a tax certiorari proceeding, and by court order dated April 11, 2023 (the "**Court Order**"), the assessed value of the Facility has been reduced from \$5,054,000 to \$3,739,086 for the tax years 2020/2021 through 2022/2023; and

WHEREAS, the Court Order also provides that to the extent PILOT Payments in preceding years exceeds the amount due on the reduced assessment, such excess shall appear as a credit on the next future statement for PILOT Payments; and

WHEREAS, the Amended and Restated PILOT Agreement states, that upon a proceeding by the Company that successfully reduces the assessed value of the Facility, “then the payments due pursuant to [the Amended and Restated PILOT Agreement] shall be recalculated based on such reduction and the Company shall be entitled to a credit against future PILOT Payments in the amount equal to the payment due to the Company as a result of such recalculation unless the Agency or the Town shall pay to the Company any overpayment made.”

WHEREAS, the Agency now contemplates, in accordance with the Court Order and the Amended and Restated PILOT Agreement, further amending the Amended and Restated PILOT Agreement in order to make adjustments to the PILOT Payments to reflect the reduced assessed value of the Facility (the “**2023 PILOT Amendment**”); and

WHEREAS, in connection with the 2023 PILOT Amendment, the Agency contemplates that it will further amend the Amended and Restated PILOT Agreement, pursuant to a certain Amendment to PILOT Agreement (the “**Amendment to PILOT Agreement**”); and together with the Amended and Restated PILOT Agreement, the “**PILOT Agreement**”); and

WHEREAS, the Agency proposes to provide financial assistance to the Company in the form of the modification and amendment of current abatements of real property taxes; and

WHEREAS, as of the date of this resolution, no determination for financial assistance has been made; 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, prior to the date of the Hearing (defined below), the Agency will have prepared a new PILOT schedule and cost-benefit analysis with respect to the proposed financial assistance; and

WHEREAS, prior to the closing of the transaction described herein, a public hearing (the “**Hearing**”) will be held 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 can be heard; and

WHEREAS, notice of the Hearing will be given in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing will be annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the request of the Company, and to representatives of the Company that the proposed financial assistance with respect to the amendment and modification of abatement of real property taxes is either an inducement to the Company to maintain the Facility in the Town of Riverhead or 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 for the further subleasing by the Company.

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

Section 1. The Agency hereby finds and determines:

- (e) 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.
- (f) The Facility continues to constitute a "project", as such term is defined in the Act.
- (g) Based upon representations of the Company, and its counsel, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Riverhead and all regional and local land use plans for the area in which the Facility is located.
- (h) The Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder.

Section 2. The continued leasing of the Facility by the Agency to the Company, and the provision of financial assistance pursuant to the Act will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of

Riverhead and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act, and the same is, therefore, approved

Section 3. 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 PILOT Agreement, by and between the Company and the Agency. The Company is further notified that the tax exemptions and 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 PILOT Agreement.

Section 4. The Chairman or Vice Chair, and all members of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company, 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 5. Any expenses incurred by the Agency with respect to the Facility, 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 Facility.

Section 6. This resolution shall take effect immediately.

VOTE: 4 Yes  
1 Absent

**EXECUTIVE SESSION**

The Chair then requested a motion to move into executive session. Doug Williams motioned to go into executive session. Anthony Barresi seconded. Executive session began at 5:34 pm.

Doug Williams moved to close the executive session and reopen the regular board meeting. Anthony Barresi seconded. Executive session ended at 6:12pm

There was no action taken in executive session

Seeing no further business, Anthony Barresi motioned to close the board meeting. Doug Williams seconded. The board meeting adjourned at 6:12pm.

Dated: 7/25/23

  
Secretary/ASST