

**MINUTES OF THE MEETING  
RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY  
July 17, 2023**

Meeting was called to order at 5:01 PM by Chairman James Farley.

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

Absent:  
Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director  
William Weir, Counsel  
Terance Walsh, Counsel

Anthony Barresi moved to adopt the proposed agenda. Lee Mendelson seconded. The agenda was adopted.

The Chairman moved the Executive Directors report out of order by motion of Anthony Barresi and seconded by Lee Mendelson.

**EXECUTIVE DIRECTOR'S REPORT**

The Executive Director reported the following:

- Heatherwood Luxury Rentals (in partnership with Metro Group and Ornstein) has submitted a draft application and is anticipated to be on the agenda in August for consideration of accepting the application for review.
- There is an application out to Tomcat Realty for an expansion project for Eastern Wholesale Fence.
- The project listing for the CAT application that is on the Agency website has been updated as of 6-13-23 to reflect some progress on the application processing. Updates to the Tentative approval process were made and the agency added interpretation of zoning and uses memo.
- Counsel has engaged and the Agency has met with a real estate valuation consulting firm.
- Discussions have been ongoing with regard to responding to due diligence letters. Phillips Lytle has been working with an accounting firm that specializes in

investigative and forensic accounting. A letter went out today with what will be a final documents request.

- The ED continued regarding the letter submitted to the local media outlets by Justin Gherhmezian within which he stated that there will be no cargo jetport in their proposed development plan. Quoting his letter, "CAT will continue to work with the town to create a plan for a project that is consistent with the town's vision for EPCAL and in compliance with the adopted studies and regulations that govern its use. We look forward to presenting our development plan at a future public hearing when we seek the required town approvals for the development of EPCAL." The Agency will be directing CAT to appear before the board for a public information session so that the Agency and the public can get a more detailed understanding of its proposed project.
- We will be scheduling several public information sessions within the next few weeks for further consideration and for the benefit of the public to hear about the plans and to comment on them. This matter is not on the agenda for this evening and there will be no discussions about the application this evening.
- New computer set up began this past week. Anticipate delays.
- The State Comptroller sent the annual follow up that they have reviewed the Agency PARIS report. They had some questions on a few of the entries and we are working on responding to them. This is a typical annual exercise.
- The Agency may move the regularly scheduled meeting from August 7<sup>th</sup> to the 14<sup>th</sup>. That will be determined this week.
- The ED participated in an Empire State Development Webinar regarding the Small Business Credit Initiative.

The Chairman then resumed the regular order of the meeting by calling the Public Hearing for Browning Hotel Properties.

#### **PUBLIC HEARING:**

The Chairman opened the public hearing on Browning Hotel Properties, LLC at 5:06pm. The Chairman informed the public that this hearing was to accept public comment in connection with a successful challenge brought against the Riverhead Board of Assessor's assessment of the Facility in a tax certiorari proceeding, and by court order dated April 11, 2023 on behalf of Browning Hotel Properties.

Counsel explained that this PILOT for this project is a formula based PILOT based on the actual assessed value of the property and the assessment was \$5,054,000. Browning Hotel Properties brought a tax certiorari claim challenging that assessment and was successful in getting it reduced by \$1,305,914. The change in assessment dates back three preceding years. Both the court order and the PILOT agreement that governs this facility says two things, to grant a credit to the facility that they can apply toward future PILOT bills in the amount that they overpaid in the previous three years. If this property were on the tax rolls,

the property would simply get a refund, but because it is in a PILOT agreement the PILOT will get amended in future PILOT payments and revised based on the new assessment.

Lori Ann Pipczynski questioned why the Agency is holding a public hearing when we are not increasing the benefit. Counsel explained that we will be reducing the amount the facility owed with the credit the agency has to provide to the facility due to the erroneous assessment. Moving forward the PILOT will be lower based on the assessment so the benefits will be lower with only several years remaining on the PILOT. Counsel reminded the board that the facility is applying for a subdivision of the property.

The ED reminded the board that the Agency does ask the Town Assessors Office for estimates on the projects prior to authorization and more recently, third parties as well.

The Chairman opened the hearing up for comments from the public. Paul Thompson from Calverton asked what happened to the condition that Browning was to extend the Long Island Expressway to go into a traffic light in an effort to avoid an "only Westerly bound exit." The ED will look into what happened.

Ashley Pope, counsel for the Riverhead Central School District, asked about the credit. She expressed concern about not being a party to the complaint. The IDA was also not a party to the proceeding either. She expressed concern about where the school district is in the budgeting process for the year and a significant financial impact.

Seeing no further comments, the Chairman declared the public hearing closed at 5:24pm

### **PRESENTATION: Related Companies**

Sam Sjoberg and Dave Pearson from Related Affordable made a presentation to the board and requested consideration of an application. They represent Riverpointe Apartments, an existing 135 unit, 9 building development of affordable housing built in 1961. They have been involved in the development since 1979 after having purchased it out of foreclosure. The facility was renovated in 2008 and is an existing IDA project having received an allocation of about \$9.5 million in bonds for a \$1.8 million renovation. They now want to acquire the property using a related entity to complete a more transformative renovation in the amount of approximately \$12 million. It is a project based section 8 facility. Residents pay rent based on 30% of their income. Residents would not see an increase in their rent, but they would be the beneficiaries of the improvements. They are seeking assistance through the allocation of bonds in the amount of approximately \$32 million and PILOT. The facility is not currently in the PILOT program, but will be seeking a shelter rent pilot. This would increase the real property taxes being paid but provide enough assistance to make the project feasible. They estimated the first year of taxes increase from \$320,000 to \$390,000 in their underwriting and would continue to increase as rents increase over time.

The renovations would include roofs, windows, interior cabinets, counters, baths, boilers, flooring, painting, led fixtures, and structural issues. They also have a non profit foundation that has engaged the local community already to get more involved, such as National Night

Out and Island Harvest. They have 5 full time employees currently. They estimate 50 construction jobs for about 1 year of renovations. They would like to use local resources. David Pearson, Executive Vice President continued with a brief about Related Affordable. They focus on preservation of affordable housing. He informed the board that they have been engaged with the town leaders and police department on how to improve and increase security.

Lee Mendelson asked about the 3% for administrative expenses and 3% management fee in the proforma. Sam Sjoberg explained the difference. The Admin fee is really operating the office, marketing, office operations. The management fee pays the management company which is a related entity. They work on a fee basis which is a percentage of the revenue or a fixed per unit per month fee. The three percent is trended over time. Admin covers people on site. The management group is back office and manages the programs, compliance with the financing programs etc.

Lee also asked about the issue with crime and why it has taken so long to address it. They have hired third party security vendors in the past, but now they have created an actual position on site to operate security. Their first meeting with the local police department was about a year ago and have been making changes since, but Covid did strap their hands. Lee expressed that they have a duty to the community to make sure they are operating the facility in a way that is beneficial for the tenants and protects the community.

Jim Farley asked if residents will be displaced. They responded by saying they will have a vacant unit that may act as a hotel or use a hotel if the work is necessary to move residents out of their unit. Other methods include making sure the children have transportation to school if they are in a hotel. They will set up a hospitality space during the day if it is daytime work. There is a logistics plan and they cover all costs. They have experienced little turnover when they do renovations.

Lori Pipczynski asked about ownership change. The property's general partner is Related Companies Inc. That will be the general partner in the new ownership, but with LITC and new bond financing there is a requirement that no more than 50% ownership can be the same on the on sell side and buy side. Therefore, there will be new investors on the buy side. David Pearson explained Shelter Rent is based on revenues reduced by utilities and then multiplied by 10 percent to get the real property tax calculation. This is different than the RPT 581A calculation but it is a comparable formula. It works to provide certainty to the lenders.

The outstanding bonds of approximately \$8.1 million will be redeemed. In order to qualify for the low income tax credits, 50% of the overall project has to be financed with new issue tax finance bonds.

The IDA would go into a straight lease transaction and the LDC would issue the bonds and offer the mortgage recording tax exemption.

Lori Ann Pipczynski also asked about the term of agreement with HUD. David Pearson responded that when they close on the bond financing they will enter into a new contract with them. The IDA or Town has no liability associated with the bonds. They will likely use Fanny Mae or Freddy Mac – as a credit enhancer of those bonds which will take the real estate risk.

**MINUTES:**

The Board moved to dispense with the reading of and voted on the June 5, 2023 meeting minutes.

**#25-23 RESOLUTION APPROVES MINUTES OF REGULAR MEETING OF June 5, 2023.**

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

**RESOLVED**, the minutes of the meeting of June 5th, 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:** 5 Yes

**CORRESPONDENCE:** Correspondence was distributed to the board from EPCAL Watch, various email correspondence was forwarded from concerned citizens regarding proposed development projects, and correspondence from the Board of Assessors.

**TREASURER'S REPORT:**

Cash Balance in as of June 30th	\$ 46,543.38
Money Market	\$ 45,061.94
Revenue for June	\$ 13,502.94
Profit and Loss	\$-4,066.54
Total Expenses Paid	\$ 17,569.48
Project Deposit Account bal.	\$ 143,072.83

**#26-23 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF June 30, 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 June1 to June 30, 2023 **as attached**,

**NOW, THEREFORE, BE IT RESOLVED**, said monthly financial report dated July 5, 2023 covering the month of June be and are hereby accepted and expenses as listed are authorized for payment.

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

**VOTE:** 5 Yes

**COMMITTEE REPORTS:**

**Audit:** None

**Governance Committee:** None

**Finance Committee:** None

**OLD BUSINESS:** None

**NEW BUSINESS:**

**RESOLUTION #27-23 ACCEPTING AN APPLICATION WITH RESPECT TO A PROJECT FOR RIVERHEAD HOUSING, L.P.**

Lori Ann Pipczynski moved the following resolution. Anthony Barresi seconded.

RESOLUTION OF THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY ACCEPTING AN APPLICATION WITH RESPECT TO RIVERHEAD HOUSING, L.P., A NEW YORK LIMITED PARTNERSHIP ON BEHALF OF ITSELF AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING, AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING THE 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, Riverhead Housing, L.P., a limited partnership organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Riverhead Housing, L.P. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”) has submitted an Application for Financial Assistance, dated March 24, 2023 (the “**Application**”) to the Town of Riverhead Industrial Development Agency (the “**Agency**”) for assistance in connection with: (A) the acquisition of an approximately 6.8 acre parcel of land located at 821 East Main Street, Riverhead, New York 11901 (the “**Land**”), together with an affordable housing complex located thereon consisting of nine (9) two-story buildings totaling approximately 137,606 square feet, comprised of thirty-three (33) one-bedroom units, ninety-two (92) two-bedroom units, and ten (10) three-bedroom units (the “**Existing Improvements**”); (B) the rehabilitation, renovation, refurbishment and upgrading of the Existing Improvements, including, but not limited to, (i) exterior improvements consisting of replacement of roofs, siding, windows, and exterior painting, (ii) interior renovations to residential units, common areas, and building systems, (iii) site improvements including landscaping, paving, lighting, playground, equipment, signage, building access controls, and security systems, (iv) installation of Wi-Fi in residential units and common areas, and (v) related amenities and improvements (the “**New Improvements**”, and together with the Existing Improvements, the “**Improvements**”); (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment, fixtures, furniture and other incidental tangible personal property (collectively, the “**Equipment**”, and together with the Land and the Improvements, the “**Facility**”) for use by the Company as multifamily affordable housing (the “**Project**”); and

WHEREAS, in the Application the Company has estimated that the total project costs of the Project will be approximately \$57,629,897; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Project and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, pursuant to this resolution, the Agency accepts the Application submitted by the Company with respect to the Project and authorizes the Executive Director and Chief Executive Officer to engage Camoin Associates to prepare an absorption and impact study for the Project; and

WHEREAS, the Agency reserves the right to require the Company and any other third-parties to supplement the Application in the future with any additional information that the Agency deems necessary, in its sole discretion, to complete its due diligence review; 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 accepts for review the Application from the Company. The Agency and Nixon Peabody LLP, transaction counsel to the Agency, reserve the right to request additional information with respect to the Application, the Company, the Project, the costs of the Project and any financing of the Project at any time as may be necessary to process the Application and determine whether to proceed with a public hearing.

Section 2. The Executive Director and Chief Executive Officer is hereby authorized to engage Camoin Associates for the preparation of an absorption and impact study of the Project, to be prepared at the expense of the Company.

Section 3. Nothing herein shall be construed as committing the Agency to consider the inducement of the Project, the holding of a public hearing, or approval of the acquisition, renovation, equipping and financing of the Project until such time as: (i) the Agency has satisfactorily completed its due diligence analysis and review, (ii) an absorption and impact study has been prepared and finalized, (iii) all necessary and appropriate reports and studies have been received and reviewed, and (iv) the Company has provided the Agency with evidence that all necessary site plan approvals, architectural review, zoning approvals, and permits with respect to the Facility have been approved.

Section 4. Without further action from the board of directors of the Agency, the Chairman may authorize the Executive Director and Chief Executive Officer to publish notice and hold a public hearing for the Project upon satisfaction of the conditions set forth in Section 3 hereto.



Section 5. The Chairman, the Executive Director and Chief Executive Officer 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 6. Any fees and expenses incurred by the Agency with respect to the Facility shall be paid by the Company. The Company has agreed pursuant to the Application, to pay such fees and expenses of the Agency and further agrees to indemnify the Agency, and its respective 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. The law firm of Nixon Peabody LLP, is hereby appointed Transaction Counsel to the Agency with respect to all matters in connection with the Project. Transaction Counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company, and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this resolution.

Section 8. This resolution shall take effect immediately.

VOTE: 5 YES

Anthony Barresi moved the following resolution. Douglas Williams seconded.

**RESOLUTION #28-23 OF THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE MODIFICATION OF THE PILOT PAYMENTS OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR THE BROWNING HOTEL PROPERTIES, LLC 2007 FACILITY, AUTHORIZING THE EXECUTION AND DELIVERY OF AMENDMENT TO THE AMENDED AND RESTATED PILOT AGREEMENT, AND THE EXECUTION AND DELIVERY OF DOCUMENTS IN CONNECTION THEREWITH AND APPROVING THE FORM, SUBSTANCE, EXECUTION AND DELIVERY OF SUCH RELATED DOCUMENTS.**

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 624 of the Laws of 1980, the Town of Riverhead Industrial Development Agency was created 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 Hilton Project and the Marriott Project are subject to separate PILOT schedules, which are set forth as Exhibits B and C respectively to the Amended and Restated PILOT 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, and applying a credit towards future PILOT Payments to reflect past overpayments (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, dated as of July 1, 2023 or such other date as the Chairman or the Executive Director of the Agency and counsel to the Agency shall agree (the "**Amendment to PILOT Agreement**"); and together with the Amended and Restated PILOT Agreement, the "**PILOT Agreement**"); and

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

WHEREAS, the Agency, by resolution duly adopted on June 5, 2023, decided to proceed under the provisions of the Act; and

WHEREAS, a public hearing (the “**Hearing**”) was held on July 17, 2023, so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility, could be heard; and

WHEREAS, notice of the Hearing was given on July 6, 2023, and such notice (together with proof of publication), was substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the report of the Hearing is substantially in the form annexed hereto as Exhibit B; and

WHEREAS, in connection with the 2023 PILOT Amendment, the Agency contemplates that it will modify the assessed value of the Facility to calculate PILOT Payments on the Facility as shown on Exhibit C annexed hereto, and apply a credit towards future PILOT Payments in the amount of \$521,7747.77 (the “**PILOT Credit**”), all consistent with the policies of the Agency, the Court Order, and the requirements of the Amended and Restated PILOT Agreement; 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 continued leasing of the Facility by the Agency to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Riverhead and the State of New York and improve their standard of living and thereby serve the public purposes of the Act;

(d) Based upon representations of the Company and counsel to the Company, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Riverhead, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and

(e) The Agency has determined that the proposed 2023 PILOT Amendment and financial assistance therefore will promote and further the purposes of the Act;

(f) It is desirable and in the public interest for the Agency consent to the 2023 PILOT Amendment and financial assistance therefore and to continue to lease the Facility to the Company;

(g) The Amendment to the PILOT Agreement will be an effective instrument whereby the Agency and the Company agree to amend and modify the PILOT Payments in connection with the 2023 PILOT Amendment and the Agency will continue to lease the Facility to the Company, and further amend the Amended and Restated PILOT Agreement;

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) amend the Amended and Restated PILOT Agreement pursuant to the Amendment to PILOT Agreement, as applicable, to reflect the 2023 PILOT Amendment, (ii) execute, deliver and perform the Amendment to PILOT Agreement and any related documents in connection therewith, and (iii) apply the PILOT Credit towards future PILOT Payments.

Section 3. The form and substance of the Amendment to PILOT Agreement 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) are hereby approved.

Section 4. Subject to the provisions of this resolution,

(a) The Chairman, Vice Chairman, or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Amendment to PILOT Agreement in substantially the form thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chair and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "Agency Documents"). The execution thereof by the Chairman, Vice Chairman, or any member of the Agency shall constitute conclusive evidence of such approval. At the option of the Executive Director, a certain deed conveying the Facility to the Company and a company lease agreement then leasing the Facility from the Company to the Agency simultaneously therewith, if any, are also authorized.

(b) The Chairman, Vice Chairman, or any member of the Agency is further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency.

Section 5. Subject to the provisions of this resolution, the Agency hereby authorizes and approves the economic benefits to be granted to the Company in connection with the Facility in the form of the 2023 PILOT Amendment (as set forth in the PILOT Schedule attached as Exhibit C hereof).

Section 6. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the 2023 PILOT Amendment contemplated hereby pursuant to the Act are subject to termination and recapture of benefits pursuant to Section 875 of the Act.

Section 7. The law firm of Nixon Peabody LLP is hereby appointed Transaction Counsel to the Agency.

Section 8. Counsel to the Agency and Transaction Counsel are hereby authorized to work with counsel to the Company and others to prepare, for submission to the Agency, all documents necessary to effect the described 2023 PILOT Amendment in the foregoing resolution.

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. Any fees, expenses, including without limitation, legal fees and expenses, incurred by the Agency with respect to the Facility shall be paid by the Company. By acceptance hereof, the Company agrees to pay such fees and expenses and further agrees to defend and 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. The Agency is hereby authorized to charge a fee of \$5,000 in connection with the PILOT Amendment.

Section 11. This resolution shall take effect immediately.

**VOTE: 5 Yes**

The Executive Director's Report was taken out of order above.

The Chairman moved the meeting into executive session to discuss potential litigation at 5:54pm.


#### **EXECUTIVE SESSION**

The Chair then requested a motion to move into executive session. Anthony Barresi motioned to go into executive session. Lori Ann Pipczynski seconded.

Doug Williams moved to close the executive session and reopen the regular board meeting. Anthony Barresi seconded. Executive session ended at 6:52pm  
There was no action taken in executive session.

Seeing no further business, Anthony Barresi motioned to close the board meeting. Lee Mendelson seconded. The board meeting adjourned at 6:53pm.

Dated: 8/07/23

  
Secretary/Asst