

**Town of Riverhead Industrial Development Agency**  
**Proposed Board Meeting Agenda**  
**November 13, 2023      5:00 pm      Riverhead Town Hall – 200 Howell Avenue**

**A G E N D A**

- I.      Call to Order**
- II.     Consideration of Proposed Agenda**
- III.    PUBLIC HEARING: River Pointe Apartments/Riverhead Housing, LP**
- IV.     PRESENTATION: 213 East Main Street, LLC (application update)**
- V.      Consideration of the Minutes: Consideration October 23, 2023 minutes.  
RESOLUTION #44-23**
- VI.     Correspondence: Letters from Counsel**
- VII.    Treasurer's Report: RESOLUTION #45-23**
- VIII.    Committee Reports**
  - a.     Audit: None
  - b.     Governance: None
  - c.     Finance Committee: None
- IX.     Old Business –**
  - A. Consideration of RESOLUTION #46-23 Considers Financial Assistance for Riverhead Housing, LP
  - B. Consideration of RESOLUTION #47- 23 Considers Ratifying the Authorization to Approve the Proposed 2024 Budget
- X.     New Business –**
  - A. Consideration of RESOLUTION #48-23 Considers Accepting Amended Application 213 East Main Street, LLC
  - B. Consideration of RESOLUTION #49-23 Considers Mortgage Modification for Calverton Addiction Treatment Facility
- XI.    Adjournment**

*November 8, 2023*

Date: November 13, 2023

At a meeting of the Town of Riverhead Industrial Development Agency (the “**Agency**”), held at Town Hall, 200 Howell Avenue, in Riverhead, New York, in said Town, on November 13, 2023 at 5:00 p.m. o’clock, Prevailing Time.

Present:           James B. Farley, Chairman  
                         Lori Ann Pipczynski, Vice Chair  
                         Lee Mendelson, Treasurer  
                         Doug Williams, Asst. Treasurer

Absent:           Anthony Barresi, Secretary

Also Present: Tracy Stark-James, Executive Director  
                         William F. Weir, Esq., Transaction Counsel

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 and title to a certain industrial development facility more particularly described below (Riverhead Housing, L.P. 2023 Facility).

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

Voting Aye

Voting Nay

RESOLUTION OF THE TOWN OF RIVERHEAD  
INDUSTRIAL DEVELOPMENT AGENCY APPROVING  
THE ACQUISITION, RENOVATION, AND EQUIPPING OF  
A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY,  
AND MAKING CERTAIN FINDINGS AND  
DETERMINATIONS WITH RESPECT TO THE FACILITY  
AND APPROVING THE FORM, SUBSTANCE AND  
EXECUTION OF RELATED DOCUMENTS

RESOLUTION #46-23

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 of the State of New York, as may be amended from time to time (collectively, the “**Act**”), the Town of Riverhead Industrial Development Agency (the “**Agency**”) was created with the authority and power to issue its special revenue bonds for the purpose of, among other things, acquiring certain industrial development facilities as authorized by the Act; 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 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 (including one (1) manager’s unit) (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, the Agency will acquire a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of November 1, 2023 or such other date as the Chairman or Chief Executive Officer of the Agency and counsel to the Agency shall agree (the “**Company Lease**”), by and between the Company and the Agency; and

WHEREAS, the Agency will acquire title to the Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the “**Bill of Sale**”), from the Company to the Agency; and

WHEREAS, the Agency will sublease and lease the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of November 1, 2023, or such other date as the Chairman or Chief Executive Officer of the Agency and counsel to the Agency shall agree (the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency required the Company to provide to the Agency certain materials (the “**Requisite Materials**”) in order to enable the Agency to make findings and determinations that the Facility qualifies as a “project” under the Act and that the Facility satisfies all other requirements of the Act, and such Requisite Materials are listed below and attached as Exhibit E hereof:

1. [Economic and Fiscal Impact Analysis – Riverhead Housing, L.P., prepared by Camoin Associates on [\_\_\_\_]];
2. New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.; and
3. Ryan et al. v. Town of Hempstead Industrial Development Agency et al.; and

WHEREAS, as security for a loan or loans, the Agency and the Company will execute and deliver to the Town of Riverhead IDA Economic Job Development Corporation (the “**Issuer**”), a Multifamily Fee and Leasehold Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated as of a date to be determined (the “**Mortgage**”), together with all riders and exhibits, and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required, and which Mortgage will be assigned by the Issuer to Wells Fargo Multifamily Capital (the “**Lender**”), in connection with the financing, any refinancing or permanent financing of the costs of the acquisition, renovation and equipping of the Facility (collectively, the “**Loan Documents**”); 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 amount not to exceed \$422,625, 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 C hereof); and

WHEREAS, in connection with the abatement of real property taxes as set forth in the PILOT Schedule on Exhibit C hereof, the current pro-rata allocation of estimated payments-in-lieu-of-taxes (the “**PILOT Payments**”) to each affected tax jurisdiction in accordance with Section 858(15) of the Act and the estimated difference between the real property taxes on the Facility and the PILOT Payments provided for on the PILOT Schedule on Exhibit C hereof are more fully described in the Cost Benefit Analysis (“**CBA**”)

developed by the Agency in accordance with the provisions of Section 859-a(5)(b) of the Act, a copy of which CBA is attached hereto as Exhibit D; and

WHEREAS, the real property tax abatement for school, county, town and fire district taxes shall be subject to the payment of a PILOT Payments be distributed by the Agency to such taxing jurisdictions for a period of thirty (30) years effective for the 2024/2025 tax billing year, provided real property taxes attributable to special districts including but without limitation public parking, sewer, water, street lighting and business improvement district shall be paid separately to the Tax Receiver of the Town of Riverhead on duly issued tax bill on the assessed value as determined by the Riverhead Board of Assessors, and PILOT Payments shall be paid as set forth in the attached Exhibit C; and

WHEREAS, a public hearing (the “**Hearing**”) was held on October 23, 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 October 12, 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, the Agency has given due consideration to the application of the Applicant and to representations by the Applicant that the proposed Facility is either an inducement to the Applicant to maintain the competitive position of the Company in its industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “**SEQR Act**” or “**SEQR**”), the Agency constitutes a “State Agency”; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form (the “**EAF**”) and related documents (collectively, the “**Questionnaire**”) with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency; and

WHEREAS, the 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 Applicant;

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

Section 1. In connection with the acquisition, demolition, construction, equipping and furnishing of the Facility the Agency hereby makes the following determinations and findings based upon the Agency's review of the information provided by the Company with respect to the Facility, including, the Company's Application, the Requisite Materials and other public information:

- (a) There is a lack of safe, clean and modern rental housing in the Town of Riverhead;
- (b) Such lack of rental housing has resulted in residents leaving the Town of Riverhead and therefore adversely affecting businesses, retailers, banks, financial institutions, insurance companies, health and legal services providers and other merchants in the Town of Riverhead and otherwise adversely impacting the economic health and well-being of the residents of the Town of Riverhead and the tax base of the Town of Riverhead;
- (c) The Facility, by providing such housing will enable persons to remain in the Town of Riverhead and thereby to support the businesses, retailers, banks, and other financial institutions, insurance companies, health care and legal services providers and other merchants in the Town of Riverhead which will increase the economic health and well-being of the residents of the Town of Riverhead, help preserve and increase permanent private sector jobs in furtherance of the Agency's public purposes as set forth in the Act, and therefore the Agency finds and determines that the Facility is a commercial project within the meaning of Section 854(4) of the Act;
- (d) The Facility will provide services, i.e., rental housing, which but for the Facility, would not otherwise be reasonably accessible to the residents of the Town of Riverhead.

Section 2. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and
- (b) The Facility constitutes a "project", and a "commercial facility" as such terms are defined in the Act; and
- (c) The acquisition, renovation and equipping of the Facility and the leasing of the Facility to the Company, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of 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; and
- (d) The acquisition, renovation and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

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

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

(g) The Company Lease will be an effective instrument whereby the Agency leases the Land and the Improvements from the Company; and

(h) The Lease Agreement will be an effective instrument whereby the Agency leases and subleases the Company 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 Agreement may recapture some or all of the benefits granted to the Company; and

(i) 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 3. Based upon the Questionnaire completed by the Company and reviewed by the Agency and other representatives and information furnished by the Company regarding the Facility, the Agency determines that the action relating to the acquisition, renovation, equipping and operation of the Facility is a Type II action, as that term is defined in the SEQR Act. The Agency also determines that the action will not have a "significant effect" on the environment, and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman, Vice Chairman or any member of the Agency.

Section 4. 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 5. 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) lease and sublease the Facility to the Company pursuant to the Lease Agreement, (iv) execute, deliver and perform the Lease Agreement, (v) grant a mortgage lien on and security interest in and to the Facility pursuant to the Mortgage, (vi) execute, deliver and perform the Mortgage, and (vii) execute, deliver and perform the Loan Documents to which the Agency is a party, and such other related documents or certificates as may be necessary or appropriate to effect the loan.

Section 6. 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 7. 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) the provision of an exemption from sales and compensating use taxes in an amount not to exceed \$422,625 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. In connection with the phase-in of real property taxes as set forth in the PILOT Schedule on Exhibit C hereof, the current pro-rata allocation of PILOT payments to each affected tax jurisdiction (i.e., the school district, county, town and fire district) in accordance with Section 858(15) of the Act. Real property taxes attributable to special districts including but without limitation public parking, sewer, ambulance, water, street lighting (or other subsequently created taxing jurisdiction not affected by an exemption) shall be paid separately to the Tax Receiver of the Town of Riverhead on duly issued tax bill on the assessed value as determined by the Riverhead Board of Assessors. The estimated difference between the real property taxes on the Facility and the PILOT payments set forth on the PILOT Schedule on Exhibit C hereof are more fully described in the CBA developed by the Agency in accordance with the provisions of Section 859-a(5)(b) of the Act, a copy of which CBA is attached hereto as Exhibit D.

Section 8. Subject to the provisions of this resolution, the Company is 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 agent 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 \$422,625, 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 completion of the transaction and the execution of the documents contemplated by this resolution.

Section 9. 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 10. All commercial tenants and commercial leases must be approved by the Agency. Approved tenants must file all required annual agency compliance reports. The Project shall allow commercial use of the property which promotes the development of the downtown and Transit Oriented Development Plan Area of Riverhead in conformance with the goals of urban renewal and revitalization. Therefore, no use shall be permitted for tattoo parlor, massage parlor, check cashing center, calling center, tobacconist or other uses associated with urban blight.

Section 11. The form and substance of the Company Lease, the Lease Agreement, and the Loan Documents to which the Agency is a party (each in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 12.

(a) The Chairman, Vice Chairman or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Company Lease, the Lease Agreement, and the Loan Documents to which the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman 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 or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, the Vice Chairman of the Agency or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 13. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the

opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 14. Any expenses incurred by the Agency with respect to the Facility shall be paid by the Company. The Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

Section 15. The provisions of this resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 13 hereof).

Section 16. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to a vote on roll call which resulted as follows:

James B. Farley VOTE

Lori Ann Pipczynski VOTE

Doug Williams VOTE

Lee Mendelson VOTE

The resolution was thereupon declared duly adopted.

DRAFT

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

I, the undersigned Secretary of the Town of Riverhead Industrial Development Agency, Suffolk County, New York, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Members of said Agency, including the resolution contained therein, held on November 13, 2023, with the original thereof on file in my office, and that the same is a true and correct transcript therefrom and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting.

I FURTHER CERTIFY that, pursuant to Section 103 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public.

I FURTHER CERTIFY that, PRIOR to the time of said meeting, I duly caused a public notice of the time and place of said meeting to be given to the following newspapers and/or other news media as follows:

Newspaper and/or other news media  
Riverhead News Review

Date given  
November 2, 2023

I FURTHER CERTIFY that PRIOR to the time of said meeting, I duly caused public notice of the time and place of said meeting to be conspicuously posted in the following designated public location(s) on the following dates:

Designated Location(s) of posted notice  
Website

Dated of Posting

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency on \_\_\_\_\_, 2023.

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Lori Ann Pipczynski, Vice Chairwoman

(CORPORATE  
SEAL)

Exhibit A

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NOTICE OF PUBLIC HEARING

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**NOTICE IS HEREBY GIVEN** that a public hearing pursuant to Article 18-A of the New York State General Municipal Law will be held by the Town of Riverhead Industrial Development Agency (the “**Agency**”) on the 13th day of November, 2023, at 5:00 p.m. local time, at the Town of Riverhead Town Hall, 200 Howell Avenue, Riverhead, New York in connection with the following matters:

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 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 to all the buildings, (ii) interior renovations to all 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**”), at an estimated project cost of \$57,629,897. The Facility will be initially owned, operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes in connection with the renovation and equipping of the Facility and abatement of real property taxes consistent with the uniform tax exemption policies (“**UTEP**”) of the Agency, including provisions for deviation therefrom.

Based upon the Environmental Assessment Form completed by the Company and reviewed by the Agency and other representations and information furnished by the Company regarding the Facility, the Agency determines that the action relating to the

acquisition, renovation, equipping, and operation of the Facility is a Type II Action, as that term is defined in Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “**SEQR Act**” or “**SEQR**”). As such, no further SEQR review is required under the SEQR Act.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility.

Further information on the proposed Project, including the application for such financial assistance and an economic impact study, is available for public inspection upon scheduled appointment at the office of the Agency located at 542 East Main Street, Suite 1, Riverhead, New York, during normal business hours.

Dated: November 2, 2023

TOWN OF RIVERHEAD INDUSTRIAL  
DEVELOPMENT AGENCY

By: Tracy Stark-James  
Title: Executive Director

Exhibit B

Report of Public Hearing

DRAFT

Exhibit C

PILOT Payments  
Riverhead Housing, L.P. 2023 Facility

Schedule of payments-in-lieu-of-taxes: Town of Riverhead, (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), Riverhead Central School District, Suffolk County, the Riverhead Fire District, and Appropriate Special Districts

Property Address: 821 East Main Street, Riverhead, New York 11901

Tax Map No.: 0600-127.00-07.00-009.003

**“Shelter Rent”** shall mean the total rents received from the occupants of the Facility less the cost of providing to the occupants of the Facility electricity, gas, heat, and other utilities. Total rents shall include rent supplements and subsidies received from the federal government, the state or a municipality on behalf of such occupants, and which shall include (1) any rent subsidies from the government pursuant to section eight of the United States Housing Act of nineteen hundred thirty-seven, as amended, or (ii) interest reduction payments pursuant to subdivision (a) of section two hundred one of the Federal Housing and Urban Development Act of nineteen hundred sixty-eight.

The Company will make payments in lieu of taxes (“**PILOT Payments**”) for the Facility for a period of thirty (30) years (the “**PILOT Period**”), commencing with Tax Year 2024/2025 in amounts equivalent to ten per centum (10%) of the annual Shelter Rent of the Facility in the calendar year preceding the year in which any such payment is due.

PILOT Payments shall be allocated among the Taxing Authorities in proportion to the amount of real property tax and other taxes which would have been received by each Taxing Authority if the Facility was owned by the Company exclusive of the Agency’s leasehold interest.

All annual PILOT Payments as described above shall be payable on April 30<sup>th</sup> as provided in Section 5.1(d)(ii) of the Lease Agreement each year of the Lease Term or on such other due dates as may be established from time to time during the Lease Term.

Exhibit D

Cost Benefit Analysis

DRAFT

**EXHIBIT E**

**Requisite Materials**

1. [Economic and Fiscal Impact Analysis – Riverhead Housing, L.P., prepared by Camoin Associates on [\_\_\_\_\_]];  
2. New York Law Journal Article, dated March 22, 2017 on Eligibility of Residential Developments for IDA Benefits by Anthony Guardino, Esq.; and  
3. Ryan et al. v. Town of Hempstead Industrial Development Agency et al.; and

DRAFT

**TOWN OF RIVERHEAD  
INDUSTRIAL DEVELOPMENT AGENCY**  
**DATED:** November 13, 2023

**#47-23 RESOLUTION RATIFYING, AFFIRMING AND AUTHORIZING  
THE PROPOSED BUDGET FOR FISCAL YEAR 01/01/24-12/31/24 AND  
AUTHORIZING SUBMISSION TO PARIS**

offered the following resolution, which was seconded by

**WHEREAS**, it is recommended accounting practice that an operating budget be established for the Riverhead Industrial Development Agency; and

**WHEREAS**, Section 2801 of Public Authorities Law provides budget reporting requirements for state and local public authorities and requires the submission of proposed budget reports not more than 90 days and no less than 60 days before the commencement of their fiscal year; and

**WHEREAS**, Article 18-A of GML requires a copy of the draft budget to be forwarded to the chief executive office and the governing body of the municipality for whose benefit the agency was established for inspection and comment of its proposed budget for the forthcoming fiscal year, no later than twenty business days before its adoption, and

**WHEREAS**, a preliminary budget was prepared and submitted to the Riverhead Town Supervisor and Town Clerk for review and comment, and

**WHEREAS**, there were no comments received from the municipality and no additional amendments, and

**NOW, THEREFORE BE IT RESOLVED**, that the attached is hereby ratified, affirmed and authorized as the proposed Operating Budget of the Riverhead Industrial Development Agency for fiscal year 01/01/24 through 12/31/24; and

**BE IT FURTHER RESOLVED**, the members of the board ratify, affirm and authorize the submission of the budget to the PARIS system and copies of this resolution be and hereby are authorized to be filed with all necessary parties as described by law.

**Vote:**

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Date

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Secretary

**Riverhead Industrial Development Agency**  
**Budget - DRAFT**  
**2024**

<b><u>Jan - Dec 24</u></b>		
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
46400 · Other Types of Income		
46410 · Interest Income	\$ 250	
46430 · Miscellaneous Revenue	750	
47240 · Program Service Fees	331,144	
47241 · Annual Compliance Fees	23,000	
<b>Total Income</b>	<b><u>355,144</u></b>	
<b>Expense</b>		
62100 · Contract Services		
62110 · Accounting (Annual Audit) Fees	10,400	
62140 · Legal Fees	-	
62145 · Website Development	-	
62150 · Outside Contract Services	<u>16,850</u>	
<b>Total 62100 · Contract Services</b>	<b><u>27,250</u></b>	
62800 · Facilities and Equipment		
62840 · Equip Rental and Maintenance	-	
62890 · Rent, Parking, Utilities	12,532	
<b>Total 62800 · Facilities and Equipment</b>	<b><u>12,532</u></b>	
65000 · Operations		
65005 · Bank Service Charges	200	
65020 · Postage, Mailing Service	150	
65040 · Supplies	1,000	
65050 · Telephone, Telecommunications	1,896	
65060 · Maintenance	1,500	
65070 · Legal Notices	400	
<b>Total 65000 · Operations</b>	<b><u>5,146</u></b>	
65100 · Other Types of Expenses		
65110 · Advertising Expenses	-	
65120 · Insurance - Liability, D and O	525	
65130 · Business Development	-	
65150 · Memberships and Dues	1,000	
65170 · Interest Expense	-	
<b>Total 65100 · Other Types of Expenses</b>	<b><u>1,525</u></b>	

**Riverhead Industrial Development Agency**  
**Budget - DRAFT**  
**2024**

	<b><u>Jan - Dec 24</u></b>
66000 · Payroll Expenses	
66010 · Salaries	148,774
66015 · Health Care Buyback	15,624
66030 · Social Security Expense/FICA	10,193
66035 · Medicare Expense	2,384
66037 · SUI Expense	263
66040 · Disability Insurance	150
66060 · Workers Compensation	523
66070 · NYS Retirement Contribution	25,143
66080 Compensated Absence Expense	-
Total 66000 · Payroll Expenses	<u>203,054</u>
68300 · Travel and Meetings	
68310 · Conference, Convention, Meeting	-
68320 · Travel and Accommodations	-
68330 · Mileage Reimbursement	-
68340 · Meals & Entertainment	-
Total 68300 · Travel and Meetings	<u>-</u>
62810 · Depreciation	<u>-</u>
Total Expense	<u>249,507</u>
<b>Net Income (Loss) Before Non Operating Revenues</b>	<b>105,637</b>
<b>Estimated Appropriated Fund Balance</b>	<b><u>-</u></b>
Net Income	<u>\$ 105,637</u>

**TOWN OF RIVERHEAD  
INDUSTRIAL DEVELOPMENT AGENCY  
DATED: 11-13-2023**

**RESOLUTION #48-23 ACCEPTING AN APPLICATION AND AUTHORIZING  
PUBLICATION OF A NOTICE OF PUBLIC HEARING WITH RESPECT TO A  
PROJECT FOR 203 RIVERHEAD, LLC AND 203-213 EAST MAIN ST. LLC**

RESOLUTION OF THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY ACCEPTING AN APPLICATION AND AUTHORIZING PUBLICATION OF A NOTICE OF PUBLIC HEARING WITH RESPECT TO 203 RIVERHEAD, LLC, A NEW YORK LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING, AND 203-213 EAST MAIN ST. LLC, A NEW YORK LIMITED LIABILITY COMPANY ON BEHALF OF ITSELF AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF THE FOREGOING, AS AGENTS OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING 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, (i) 203 Riverhead, 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 203 Riverhead, LLC and/or an entity formed or to be formed on behalf of any of the foregoing, and (ii) 203-213 East Main St. 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 203-213 East Main St. LLC and/or an entity formed or to be formed on behalf of any of the foregoing, as co-applicants (collectively, the “**Company**”) have submitted an Application for Financial Assistance, dated July 14, 2023, as revised October 19, 2023 (collectively, the “**Application**”) to the Town of Riverhead Industrial Development Agency (the “**Agency**”) for assistance in connection with: the acquisition of an approximately 1.42 acre parcel of land located at 203-213 E. Main Street, Riverhead, New York 11901 (SCTM# District 0600, Section 129.00, Block 01.00, Lots 017.000-020.000) (the “**Land**”), the construction thereon of an approximately 238,342 square foot five-story building (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (collectively, the “**Equipment**”; and together with the Land and the Improvements, the “**Facility**”), which Facility will be leased and subleased by the

Agency to the Company to be used as a residential apartment building, consisting of approximately fifty-two (52) studio units, approximately eighty (80) one-bedroom units, approximately thirty-three (33) two-bedroom units, and approximately 6,000 square feet of amenity and retail space on the ground floor (collectively, the “**Project**”); and

WHEREAS, in the Application the Company has estimated that the total project costs of the Project will be approximately \$81,920,683; and

WHEREAS, in the Application the Company has indicated that they intend to sublease the retail portion of the Facility to commercial tenants, who have not yet been identified, for use as retail space; 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, including without limitation an independent assessment of the Facility; and

WHEREAS, prior to the date of the Hearing (defined below), the Agency will have prepared a written cost-benefit analysis based on the benefits requested by the Company, which cost-benefit analysis will be available for review by the public at the Hearing; 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 application of the Company and to representations by the Company that the proposed financial assistance is either an inducement to the Company to attract and maintain the Facility in the Town of Riverhead or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “**SEQR Act**” or “**SEQR**”), the Agency constitutes a “State Agency”; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the “**Questionnaire**”) with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency; and

WHEREAS, the 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 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. Based upon the Environmental Assessment Form completed by the Company and reviewed by the Agency and other representations and information furnished by the Company regarding the Facility, the Agency determines that the action relating to the acquisition, construction, equipping, furnishing and operation of the Facility is a Type I Action, as that term is defined in the SEQR Act. The Agency also determines that the action will not have a “significant effect” on the environment, and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman or Executive Director of the Agency or counsel to the Agency.

Section 4. The acquisition, construction and equipping of the Facility by the Agency, the subleasing and leasing of the Facility to the Company, and the provision of financial assistance on the Facility 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 5. Subject to the provisions of this resolution, the holding of the Hearing and the publication of notice thereof is hereby authorized.

Section 6. 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 and Project Agreement, dated a date to be determined (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 and the appointment of the Company as agent of the Agency pursuant to this 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. 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, construction, 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) an independent assessment of the Facility has been received and reviewed, (iv) all necessary and appropriate reports and studies have been received and reviewed, and (v) 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 8. 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 9. 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 10. 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 11. 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 12. This resolution shall take effect immediately.

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

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

I have compared the foregoing copy of a resolution of the Town of Riverhead Industrial Development Agency (the “**Agency**”) with the original thereof on file in the office of the Agency, and the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter. Such resolution was passed at a meeting of the Agency duly convened in public session on November 13, 2023, at 5:00 p.m., local time, at Town of Riverhead Town Hall, 4 West Second Street, Riverhead, New York, at which meeting the following members were:

Present: James Farley, Chairman  
Lee Mendelson, Treasurer  
Doug Williams, Assistant Treasurer

Absent: Anthony Barresi, Secretary  
Lori Ann Pipczynski, Vice Chairwoman

Also Present: Tracy Stark-James, CEO  
William F. Weir, Esq., Nixon Peabody LLP

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Lee Mendelson \_\_\_\_\_ VOTING \_\_\_\_\_  
James Farley \_\_\_\_\_ VOTING \_\_\_\_\_  
Doug Williams \_\_\_\_\_ VOTING \_\_\_\_\_

and, therefore, the resolution was declared duly adopted.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), (ii) said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, I have hereunto set my hand as of November 13, 2023.

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Chairman/ Vice Chairwoman

DRAFT

## EXHIBIT A

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### NOTICE OF PUBLIC HEARING

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**NOTICE IS HEREBY GIVEN** that a public hearing pursuant to Article 18-A of the New York State General Municipal Law will be held by the Town of Riverhead Industrial Development Agency (the “**Agency**”) on the 18th day of December, 2023, at 5:00 p.m. local time, at the Town of Riverhead Town Hall, 4 West Second Street, Riverhead, New York in connection with the following matters:

(i) 203 Riverhead, 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 203 Riverhead, LLC and/or an entity formed or to be formed on behalf of any of the foregoing, and (ii) 203-213 East Main St. 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 203-213 East Main St. LLC and/or an entity formed or to be formed on behalf of any of the foregoing, as co-applicants (collectively, the “**Company**”) have submitted an Application for Financial Assistance, dated July 14, 2023, as revised October 19, 2023 (collectively, the “**Application**”) to the Town of Riverhead Industrial Development Agency (the “**Agency**”) for assistance in connection with: the acquisition of an approximately 1.42 acre parcel of land located at 203-213 E. Main Street, Riverhead, New York 11901 (SCTM# District 0600, Section 129.00, Block 01.00, Lots 017.000-020.000) (the “**Land**”), the construction thereon of an approximately 238,342 square foot five-story building (the “**Improvements**”), and the acquisition and installation therein of certain equipment and personal property (collectively, the “**Equipment**”); and together with the Land and the Improvements, the “**Facility**”), which Facility will be leased and subleased by the Agency to the Company to be used as a residential apartment building, consisting of approximately fifty-two (52) studio units, approximately eighty (80) one-bedroom units, approximately thirty-three (33) two-bedroom units, and approximately 6,000 square feet of amenity and retail space on the ground floor (collectively, the “**Project**”). The Facility will be initially owned, operated and/or managed by the Company.

The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes in connection with the renovation and equipping of the Facility and abatement of real property taxes consistent with the uniform tax exemption policies (“**UTEP**”) of the Agency.

In accordance with the provisions of the State Environmental Quality Review Act, the Town of Riverhead (the “**Town**”) treated the application as a Type I Action, coordinated review, and adopted a negative declaration. As the Town coordinated review and, acting as Lead Agency, adopted a negative declaration, such negative declaration is binding on the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the Facility.

Further information on the proposed Project, including the application for such financial

assistance and an economic impact study, is available for public inspection upon scheduled appointment at the office of the Agency located at 542 East Main Street, Suite 1, Riverhead, New York, during normal business hours.

Dated: \_\_\_\_\_, 2023

**TOWN OF RIVERHEAD INDUSTRIAL  
DEVELOPMENT AGENCY**

By: Tracy Stark-James  
Title: Executive Director

DRAFT

EXHIBIT B

FORM OF MINUTES OF PUBLIC HEARING HELD ON  
DECEMBER 18, 2023 AT 5:00 P. M.

DRAFT

**TOWN OF RIVERHEAD  
INDUSTRIAL DEVELOPMENT AGENCY  
DATED: 11-13-23**

**#49-23        AUTHORIZES CERTAIN AMENDMENTS AND MODIFICATIONS TO  
EXISTING MORTGAGES FOR CALVERTON ADDICTION AND TREATMENT LLC**

\_\_\_\_ offered the following resolution, which was seconded by \_\_\_\_.

WHEREAS, upon proceedings held, the Agency induced Calverton Addiction and Treatment LLC (the “**Company**”) to acquire real property at 525 Jan Way, Calverton, New York 11933 to be constructed as an addiction and treatment recovery center as more particularly set forth in Agency resolution adopted March 5, 2018 (the “**Facility**”), which, among other inducements, granted an exemption from mortgage recording tax on (i) a previous mortgage in a principal amount up to \$11,198,000 (the “**Project Loan Mortgage**”) and (ii) a previous mortgage in a principal amount up to \$36,302,000 (the “**Building Loan Mortgage**”); and, together with the Project Loan Mortgage, the “**Existing Mortgages**”); and

WHEREAS, the Company duly acquired the real property and constructed the Facility and has placed the Facility into service at a total detailed cost of \$94,151,744; and

WHEREAS, the Agency acquired a leasehold interest in the Facility pursuant to a certain Ground Lease dated as of August 1, 2018 (the “**Ground Lease**”), by and between the Agency and the Company; and

WHEREAS, the Agency leased the Facility back to the Company pursuant to a certain Lease Agreement dated as of August 1, 2018 (the “**Lease Agreement**”), as amended to date, by and between the Agency and the Company; and

WHEREAS, the Existing Mortgages were used to finance the acquisition and construction of the Facility; and

WHEREAS, Manufacturers and Traders Trust Company (the “**Lender**”) has approved certain amendments and modifications to the Existing Mortgages and the Company has requested the Agency to consent to the Amendment and Modifications; and

WHEREAS, the Agency now contemplates that it will authorize the execution of (i) an Amendment and Modification to Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing (Project Loan) (the “**Project Loan Mortgage Amendment and Modification**”), and (ii) an Amendment and Modification to Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing (Building Loan) (the “**Building Loan Mortgage Amendment and Modification**”); and together with the Project Loan Mortgage Amendment and Modification, the “**Amendment and Modifications**”), to encumber the Facility; and

WHEREAS, the Amendment and Modifications will be used to amend and modify the Existing Mortgages; and

WHEREAS, as security for the Amendment and Modifications being made to the Company by the Lender, the Company has further requested to the Agency that it join with the Company in executing and delivering to the Lender the Amendment and Modifications and such other loan documents, satisfactory to the

Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the Lender (the “**Loan Documents**”); and

WHEREAS, the Agency is not authorizing exemptions from mortgage recording taxes or any other financial assistance in connection with the Amendment and Modifications, and the Company shall pay mortgage recording taxes to the same extent as if the Agency were not a party to the Loan Documents; and

NOW, THEREFORE BE IT RESOLVED,

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) The Amendment and Modifications of the Existing Mortgages will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Riverhead, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.
- (d) The Amendment and Modifications of the Existing Mortgages as contemplated in this resolution are reasonably necessary to maintain the competitive position of the Company in its industry.
- (e) It is desirable and in the public interest for the Agency to assist in the Amendment and Modifications of the Existing Mortgages.
- (f) The Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the Amendment and Modifications and assign to the Lender their respective rights under the Lease Agreement (except the Agency’s certain unassigned rights).

Section 2. In consequence of the foregoing, the Agency hereby determines to execute, deliver and perform the Amendment and Modifications to which the Agency is a party.

Section 3. The Agency is hereby authorized to execute and deliver the Loan Documents without the need for any further or future approvals of the Agency.

Section 4. The Agency hereby authorizes and approves the execution of the Amendment and Modifications to the Existing Mortgages.

Section 5. The Chairman or Vice Chairman are hereby authorized, on behalf of the Agency, to execute and deliver the Amendment and Modifications to the Existing Mortgages and other Loan Documents to which the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman and Vice Chairman or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the

Chairman, Vice Chairman, and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**").

Section 6. 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 7. Any expenses incurred by the Agency with respect to the Facility shall be paid by the Company. The Company agrees to pay such expenses and further agrees 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.

BE IT FURTHER RESOLVED that this resolution shall become effective upon the payment by Calverton Addiction and Treatment LLC of the Agency fee of \$5,000.00 and all reasonable Agency counsel fees.

**VOTE:**

DATE: \_\_\_\_\_

\_\_\_\_\_  
Chairman