

Date: July 11, 2022

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 July 11, 2022 at 5:00 p.m. o'clock, Prevailing Time.

Present: James B. Farley, Chairman
Lori Ann Pipczynski, Vice Chair
Lee Mendelson, Treasurer
Anthony Barresi, Secretary

Recused:

Excused: Thomas Cruso, Member

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 (205 Osborn Ave, LLC 2022 Facility).

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

Voting Aye

James B. Farley
Lori Ann Pipczynski
Lee Mendelson
Anthony Barresi

Voting Nay

RESOLUTION OF THE TOWN OF RIVERHEAD
INDUSTRIAL DEVELOPMENT AGENCY APPROVING
THE ACQUISITION, DEMOLITION, CONSTRUCTION,
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 #35-22

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, 205 Osborn Ave, 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 and/or equity investors of 205 Osborn Ave, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “Company”), has applied to the Agency for assistance in connection with: (a) the acquisition of an approximately 0.48-acre parcel of land located at 205 Osborn Avenue, Riverhead, New York 11901 (SCTM# 0600-128.00-02.00-021.001 & 022.000) (the “Land”), (b) the demolition of an approximately 13,000 square foot existing building and the construction thereupon of an approximately 41,867 square foot building, together with the acquisition, installation and equipping of improvements, structures and other related facilities attached to the Land (the “Improvements”), and the acquisition and installation therein of certain equipment and personal property (the “Facility Equipment”; and together with the Land and the Improvements, the “Company Facility”), which Company Facility will be leased by the Company to the Agency and will be subleased by the Agency back to the Company. The Facility will include a 37-unit apartment building comprised of highly-amenitized, market-rate, rental units, consisting of three (3) studio apartments, twenty-four (24) one-bedroom apartments and ten (10) two-bedroom units. The ground floor of the facility will include approximately 4,334 square feet of Worksmart Coworking Space offering a variety of business space and services to local entrepreneurs, freelancers, small businesses and remote workers. The Facility will be pet-friendly and feature a full gym, basement storage units, a rooftop entertainment space, a dedicated package room and a virtual doorman. The Facility will provide 35 parking spaces. (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 July 1, 2022 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 Facility Equipment pursuant to a certain Bill of Sale, dated the Closing Date (as defined in the hereinafter defined Lease Agreement) (the "**Bill of Sale**"), from the Company to the Agency; and

WHEREAS, the Agency will sublease and lease the Company Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of July 1, 2022, 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, as security for a loan or loans, the Agency and the Company will execute and deliver to a lender or lenders not yet determined (collectively, the "**Lender**"), a mortgage or mortgages, and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required by the Lender, to be dated a date to be determined, in connection with the financing, any refinancing or permanent financing of the costs of the acquisition, construction, 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 mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$15,675,061.60 but not to exceed \$19,750,000, corresponding to mortgage recording tax exemptions presently estimated to be \$117,562.96 but not to exceed \$148,125, in connection with the financing of the acquisition, construction, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of the acquisition, construction and equipping of the Facility, (ii) exemptions from sales and use taxes in an amount not to exceed \$702,294.01, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit 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 then (10) years effective for the 2023/2024 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 December 6, 2021, 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 November 25, 2021 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 Agency constitutes an “Involved Agency” (as defined in SEQR); and

WHEREAS, the Town of Riverhead Planning Board (the “**Lead Agency**”), reviewed the Facility as Lead Agency following coordinated review, determined that the Facility would not have a significant impact on the environment, and adopted a Negative Declaration for the Facility pursuant to the provisions of SEQR; and

WHEREAS, pursuant to a resolution, dated July 7 2021, the Lead Agency determined that the Action in connection with the Facility (the “**Action**”), is a Type 1 Action for SEQR purposes; and

WHEREAS, this determination constitutes a negative declaration for purposes of SEQR and is binding on the Agency; and

WHEREAS, the Agency has reviewed the Questionnaire and such other documents as the Agency felt it necessary or appropriate to examine to adequately review the proposed Action; and

WHEREAS, the Agency finds that the negative declaration of the Town Board accurately and adequately examines environmental issues presented by the Action; and

WHEREAS, the Applicant 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:

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

Section 1. The Agency hereby finds and determines:

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

(b) A study conducted in 2021 by Camoin Associates found that there is high demand for rental units in the Town of Riverhead, particularly those designed to appeal to the growing number of households in higher income groups, as well as the Town of Riverhead's workforce that commutes from the New York City area. It is estimated that construction of 205 Osborn Avenue will result in thirty-four (34) full time equivalent construction jobs and an additional two (2) jobs in supporting businesses. Direct construction earnings are estimated to be nearly \$3,200,000. Annual operations plus the spending of new households is estimated to support twelve (12) new jobs in the Town of Riverhead, and nearly \$256,000 of earnings annually. The study has found that the economic impact in the Town totals, annually, approximately \$1,700,000.

(c) The Facility constitutes a "project", as such term is defined in the Act; and

(d) The Project is located within the Rail Road Avenue Urban Renewal Area as so designated by the Riverhead Town Board and a Federally Designated Opportunity Zone Area and has been granted site plan approval and special permit approval to construct the project by Resolution adopted at its regularly scheduled meeting of July 6, 2022; and

(e) The Project site had been vacant and blighted for approximately 10 years and was identified by the Town to be revitalized consistent with the newly adopted Transit Oriented Development Zoning, and

(f) The acquisition, demolition, construction, renovation and equipping of the Facility and the leasing of the Facility to the Applicant, 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

(g) The acquisition, demolition, construction, renovation and equipping of the Facility is reasonably necessary to induce the Applicant to maintain and expand its business operations in the State of New York; and

(h) 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

(i) G2D Development Corp., an affiliate of the Company who will be developing the Project, has demonstrated ability and experience in the construction, maintenance and operation of Projects similar in nature to the Project.

(j) 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

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

(l) 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

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

Section 2. The Agency has assessed all material information included in connection with the Company's application for financial assistance, including but not limited to, the cost-benefit analysis prepared by the Agency and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Land and the Improvements from the Company pursuant to the Company Lease, (ii) execute, deliver and perform the Company Lease, (iii) sublease and lease the Facility to the Company pursuant to the Lease Agreement, and (iv) execute, deliver and perform the Lease Agreement.

Section 4. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 5. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, demolition, construction and equipping of the Facility in the form of: (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be

\$15,675,061.60 but not to exceed \$19,750,000, corresponding to mortgage recording tax exemptions presently estimated to be \$117,562.96 but not to exceed \$148,125, in connection with the financing of the acquisition, demolition, construction and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of the acquisition, demolition, construction and equipping of the Facility, (ii) the provision of an exemption from sales and compensating use taxes in an amount not to exceed \$702,294.01 in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the Facility, and (iii) abatement of real property taxes. 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 6. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, construct, 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, construct, 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, construct, 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 \$702,294.01, 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 7. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement. The Company is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Authorizing Resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement

Section 8. All commercial tenants and 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 9. The form and substance of the Company Lease, the Lease Agreement, the Agency Compliance 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 10.

(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, the Agency Compliance 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 11. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 12. 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 13. 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 12 hereof).

Section 14. This resolution shall take effect immediately.

APPLICANT CERTIFICATION:

I hereby CERTIFY AND SWEAR UNDER PENALTY OF PERJURY that all findings and other statements of fact made by the Town Riverhead Industrial Development Agency contained in the above resolution are complete, true and correct as of this 11th day of July, 2022.

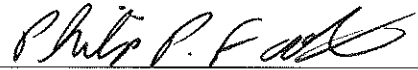
205 OSBORN AVE, LLC



Print Name: *Gregory DeRosa*
Print Title: *Manager*

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

On the 26 day of July in the year 2022 before me, the undersigned, a notary public in and for said State, personally appeared *Gregory DeRosa* personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in its capacity and that by its signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

PHILIP P. FOOTE
Notary Public, State of New York
No. 02FO6203482
Qualified in Nassau County
Commission Expires April 6, 2025

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

<u>James B. Farley</u>	<u>VOTE Aye</u>
<u>Lori Ann Pipczynski</u>	<u>VOTE Aye</u>
<u>Thomas Cruso</u>	<u>VOTE Absent</u>
<u>Lee Mendelson</u>	<u>VOTE Aye</u>
<u>Anthony Barresi</u>	<u>VOTE Aye</u>

The resolution was thereupon declared duly adopted.

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 July 11, 2022, 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
The News Review

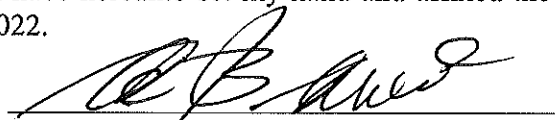
Date given
12-6-21

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
12-31-21

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency on 09/08/2022, 2022.



Secretary

(CORPORATE
SEAL)

Exhibit A

Notice of Public Hearing

NOTICE OF PUBLIC HEARING
WITH RESPECT TO APPLICATION OF
205 OSBORN AVE, LLC AND RELATED ENTITIES
AND THE PROVIDING OF
FINANCIAL ASSISTANCE
THEREBY BY THE TOWN OF RIVERHEAD
INDUSTRIAL DEVELOPMENT AGENCY

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

WHEREAS, the Agency has received an application for financial assistance from 205 Osborn Ave, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the “Applicant”), with respect to a proposed development located within a Railroad Avenue Urban Renewal Overlay District at 205 Osborn Avenue (S.C.T.M. No. 0600-128.00-02.00-021.001 & 022.000) to demolish the existing approximately 13,000 square foot vacant building and construct an approximately 41,867 square foot building on approximately 0.48 acres of land. The facility will include a 37-unit apartment building comprised of highly-amenitized, market-rate, rental units consisting of three (3) studio apartments, twenty-four (24) one-bedroom apartments and ten (10) two-bedroom units. The ground floor of the facility will include a Worksmart Coworking Space offering a variety of business space and services to local entrepreneurs, freelancers, small businesses and remote workers. The facility will be pet-friendly and feature a full gym, basement storage units, a rooftop entertainment space, a dedicated package room and a virtual doorman. The Applicant will maintain an aggressive cleaning and maintenance program at the facility for all the common touchpoints in light of COVID-19 procedures. Additionally, the Applicant will build fresh-air intakes into all of the rooms and common spaces within the units to provide constant fresh-air circulation. Project cost is estimated to be approximately \$19,593,827.00 (the “Project”); and

WHEREAS, the Applicant seeks enhancement of real property tax abatement for a period of 10 years pursuant to the Agency Uniform Tax Exemption Policy with regard to project location being a vacant building in the Town of Riverhead; and

WHEREAS, Section 859-a of the General Municipal Law, being part of Article 18-A of the General Municipal Law, provides that, prior to providing financial assistance to any applicant with respect to any project, industrial development agencies, including the Agency, must hold a public hearing with respect to the project and the proposed financial assistance being contemplated to be provided by the agency; and

WHEREAS, it is now desired to publish notice of public hearing with respect to the application for financial assistance of the Project and the proposed financial assistance now being contemplated by the Agency to be provided to the Applicant with respect to the Project.

NOW, THEREFORE, BE IT RESOLVED, by the Members of the Town of Riverhead Industrial Development Agency, Suffolk County, New York, as follows:

Section 1. A public hearing will be held at the Riverhead Town Hall, 200 Howell Avenue, in Riverhead, New York, on December 6th, 2021 at 5:00 p.m. prevailing time with respect to the Project and the proposed financial assistance now being contemplated to be provided to the Applicant by the Agency with respect to the Project, as described in Section 4 of this Resolution, and to hear all persons interested in the subject thereof, concerning the same. At said public hearing, interested parties shall be provided reasonable opportunity, both orally and in writing, to present their views with respect to the Project and the providing of financial assistance now being contemplated to be provided to the Applicant by the Agency with respect to the Project.

Section 2. The Riverhead Town Board has declared itself "lead agency", in accordance with the provisions of the State Environmental Quality Review Act (SEQRA) with respect to the project as described in Section 3 of this Resolution. The Agency, as an "involved" agency will make SEQRA findings upon completion of the SEQRA process by the "lead agency" prior to any determination by the Agency with regard to the provision of financial assistance as described in Section 4 of this Resolution.

Section 3. It is hereby determined that a general, functional description of the Project is as follows: a proposed development located within a Railroad Avenue Urban Renewal Overlay District at 205 Osborn Avenue (S.C.T.M. No. 0600-128.00-02.00-021.001 & 022.000) to demolish the existing approximately 13,000 square foot building and construct an approximately 41,867 square foot building on approximately 0.48 acres of land. The facility will include a 37-unit apartment building comprised of highly-amenitized, market-rate, rental units consisting of three (3) studio apartments, twenty-four (24) one-bedroom apartments and ten (10) two-bedroom units. The ground floor of the facility will include a Worksmart Coworking Space offering a variety of business space and services to local entrepreneurs, freelancers, small businesses and remote workers. The facility will be pet-friendly and feature a full gym, basement storage units, a rooftop entertainment space, a dedicated package room and a virtual doorman. The Applicant will maintain an aggressive cleaning and maintenance program at the facility for all the common touchpoints in light of COVID-19 procedures. Additionally, the Applicant will build fresh-air intakes into all of the rooms and common spaces within the units to provide constant fresh-air circulation. Project cost is estimated to be approximately \$19,593,827.00 (the "Project").

Section 4. It is hereby determined that the financial assistance that the Agency is now contemplating providing to the Applicant with respect to the Project is (i) the provision of an exemption from Sales and Compensating Use Taxes on certain property, including tangible personal property, and (ii) an enhanced partial abatement of real property taxes, and

(iii) the provision of an exemption from Mortgage Recording Taxes. The financial assistance described in (i), (ii) and (iii), above, would be consistent with the uniform tax-exemption policy adopted by the Agency pursuant to Subdivision 4 of Section 874 of the General Municipal Law.

Section 5. The Secretary of the Agency is hereby authorized and directed to cause a copy of the attached Notice of Public Hearing to be published once in the November 25th, 2021 edition of The News Review, the newspaper hereby designated as the official newspaper of the Agency for this purpose, and being a newspaper having a general circulation in, and available to residents of the Town.

Section 6. This resolution shall take effect immediately.

Further information on the proposed Project, including the application for such financial assistance and a cost and benefit analysis, is available for public inspection at the office of the Agency located at 542 East Main Street, Riverhead, New York, by appointment during normal business hours.

Dated: November 25, 2021

TOWN OF RIVERHEAD INDUSTRIAL
DEVELOPMENT AGENCY

By: 

Secretary

Exhibit B

Report of Public Hearing

Exhibit C

PILOT Payments
205 Osborn Ave, LLC 2022 Facility

Property Address: 205 Osborn Avenue, Riverhead, New York 11901

Tax Map No.: 0600-128.00-02.00-021.001 & 022.000

Formula for Payment-in-lieu-of-Taxes: Full taxes on Base Assessment of \$45,000, plus the increase of the Assessed Value (currently projected to be \$992,199) abated by the percentage correlating to the tax year below.

<u>Tax Year</u>	<u>Percentage of Abatement of Assessed Value Over the Base Amount</u>
2022/2023	Construction phase, subject to full taxation
2023/2024	90%
2024/2025	85%
2025/2026	80%
2026/2027	75%
2027/2028	70%
2028/2029	65%
2029/2030	55%
2030/2031	45%
2031/2032	35%
2032/2033	25%
2033/2034, and thereafter	Subject to full taxation

Exhibit D

Cost Benefit Analysis