

At a regular meeting of the Members of the Town of Riverhead Industrial Development Agency, Suffolk County, New York, held at the Town Hall, 200 Howell Avenue, in Riverhead, New York, in said Town, on May 7, 2018 at 5:00 p.m. o'clock, Prevailing Time.

The meeting was called to order by Thomas Cruso, and upon roll being called, the following were

PRESENT: Thomas Cruso, Chairman

Lori Ann Pipeczynski, Vice Chairwoman

Robert Kern, Treasurer

Anthony Barresi, Secretary

Larry Simms

ABSENT:

The following resolution was offered by Member Lori Ann Pipeczynski, who moved its adoption, seconded by Member Robert Kern, to wit:

RESOLUTION #26-18

DATED MAY 7, 2018.

A RESOLUTION AUTHORIZING THE PROVISION OF FINANCIAL ASSISTANCE BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO ADPC RAYNOR LLC AND TWIN FORK BEER CO. INC.

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 ADPC Raynor LLC, a limited liability company qualified to do business in the State of New York, as Owner of the Project, and Twin Fork Beer Co. Inc., a corporation qualified to do business in the State of New York, as User of the Project (collectively known as the "Applicant"), with respect to the construction of an approximately 11,480 square foot manufacturing building on a 2.1 acre vacant lot located at 807 Raynor Avenue, Riverhead, New York (S.C.T.M. No. 0600-108-2-12) and associated site improvements for use as a craft brewing and storage and distribution facility, and associated tasting room. The Applicant will purchase brewery equipment and tasting room furnishings, make necessary site improvements and construct the facility as depicted on the site plan at an estimated total project cost of \$1,492,196. inclusive of the land value addition (the "Project"); and

WHEREAS, a public hearing pursuant to Section 859-a of the General Municipal Law was held by the Agency on April 2, 2018 and May 7, 2018 with respect to the application for financial assistance and the Project and the proposed financial assistance requested by Applicant with respect to the Project; and

WHEREAS, the Agency provided notice of the public hearing to the chief executive officer of each affected tax jurisdiction within which the Project is located; and

WHEREAS, at the Public Hearing all interested parties were provided with reasonable opportunity, both orally and in writing, to present their views with respect to the Project and the providing of financial assistance therefore, as set forth in the notice of Public Hearing; and

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

Section 1. Based upon the record of the proceedings of this application the Board makes the following findings necessary to provide a reasonable basis for the decisions of the Agency made herein. The total Project cost is \$1,492,196 and would include the construction of an approximately 11,480 square foot manufacturing building on a 2.1 acre vacant lot located at 807 Raynor Avenue, Riverhead, New York for use as a craft brewing and storage and distribution facility, and associated tasting room and the purchase brewery equipment and tasting room furnishings.

The Project, as a manufacturing facility, is eligible for a real property tax deferment in an amount of double New York Real Property Tax Law 485-b, Tax Abatement

A cost benefit analysis has been prepared and reviewed by the Agency.

The Applicant testified that obtaining conventional financing was not available for this project.

The Applicant is currently brewing 800 barrels a year and is one of the few self-distribution breweries to service Montauk and Greenport as well as Manhattan and the Hudson Valley. The applicant currently outsources the production of their product. The applicant proposes to build the Project to improve efficiencies and reduce production

costs over time by brewing its products in house. As a new venture, the Project anticipates creating 5 new full time jobs and 6 part time jobs to the community in the Riverhead community.

The Project will be constructed on a currently vacant lot. The location of the property is a portal to the Polish Town community and downtown Riverhead. The Project will enhance the existing craft brewery tourism which is developing in the Town of Riverhead. The new infrastructure for the Project will lead to the orderly improvement of the immediately surrounding area.

The Applicant has been consulting with the Advanced Energy Center of Stony Brook University and plans to implement innovative wastewater treatment to diminish outflow of effluent and utilize efficient heating and cooling initiatives.

The Board also finds that the Applicant has certified that the Project, as of the date of the Application, is in substantial compliance with all provisions of Article 18-A of the General Municipal Law of the State of New York, including, but not limited to GML section 859-a and section 862. The Board also finds that the Applicant has certified it is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations. This resolution is not effective until it is dated and countersigned by the Applicant as set forth at the foot hereof, certifying the truth of this finding and all other statements of facts and findings made by the Agency in this resolution based upon information provided by the Agency.

Section 2. It is hereby determined that the Agency shall provide Applicant with the following financial assistance with respect to the Project: (i) the provision of an exemption from Sales and Compensating Use Taxes on certain property, including tangible personal property in an amount not to exceed an authorized amount of \$33,879 on a total value of eligible goods and services in the amount of \$392,800, and (ii) a

partial abatement of real property taxes by granting a deferment of real property tax equal to 100% of the increase of the assessed value of the improvements declining 10% each year for a period of ten years, effective for the 2019/2020 tax billing year. PILOT payments shall be paid on the land assessment of \$20,000 plus a percentage abatement of improvements assessment over 10 years as set forth in the attached Schedule A, and (iii) no mortgage recording tax has been requested at this time. Such exemption may be considered by future application to the Agency as necessary in the interest of the Project.

The Executive Director of the Agency is hereby directed to proceed, at the expense of Applicant, to cause agreements and documents to be prepared that will enable the aforesaid benefits to be provided to Applicant, and to submit such agreements and documents to the Agency for approval. The financial assistance authorized hereby shall not be effective until closing.

Section 3. The Agency has declared itself "lead agency", in accordance with the provisions of the State Environmental Quality Review Act with respect to the Agency's providing financial assistance to the Applicant with respect to the Project, as described in Section 4 of this Resolution and as authorized pursuant to Article 18-A of the General Municipal Law, and has determined that the provision of said financial assistance will not have a significant effect on the environment.

Section 4. The Chairperson or Vice Chairperson of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver standard Agency documents including, but not limited to the Project Agreement, Ground Lease, Lease, Mortgage if necessary, PILOT, and Guarantees, necessary to grant the financial assistance set forth herein upon payment of the Agency fee in the amount of \$11,183 and Attorney fees. Closing shall occur no later than two years from the date hereof.

Section 5. This resolution shall take effect upon immediately.

I hereby CERTIFY AND SWEAR UNDER PENALTY OF PERJURY that all findings and other statements of fact made by the Riverhead Industrial Development Agency contained in the above resolution are complete, true and correct as of this _____ day of May, 2018.

Print Title:

COUNTY OF SUFFOLK)

Notary Public

APPLICANT CERTIFICATION:

I hereby CERTIFY AND SWEAR UNDER PENALTY OF PERJURY that all findings and other statements of fact made by the Riverhead Industrial Development Agency contained in the above resolution are complete, true and correct as of this _____ day of May, 2018.

TWIN FORK BEER CO. INC.

Print Name:

Print Title:

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

On the day of in the year 2018 before me, the undersigned, a notary public in and for said State, personally appeared

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

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

<u>Thomas Cruso</u>	<u>VOTING</u>	<u>Yes</u>
<u>Lori Ann Pipeczynski</u>	<u>VOTING</u>	<u>Yes</u>
<u>Bob Kern</u>	<u>VOTING</u>	<u>Yes</u>
<u>Anthony Barresi</u>	<u>VOTING</u>	<u>Yes</u>
<u>Larry Simms</u>	<u>VOTING</u>	<u>No</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 May 7, 2018, 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	Date given
The News Review	12/14/2017

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

Dated of Posting

Website

01/13/2018

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency on 6/4, 2018.



Secretary

(CORPORATE
SEAL)

SCHEDULE A
REAL PROPERTY TAX ABATEMENT

Tax Year	% of increase of the assessed value of improvements that is deferred
2018-2019	0
2019-2020	100
2020-2021	90
2021-2022	80
2022-2023	70
2023-2024	60
2024-2025	50
2025-2026	40
2026-2027	30
2027-2028	20
2028-2029	10
2029-2030	0