

RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY

5.2.16

#28-16 RESOLUTION AUTHORIZING THE PROVISION OF FINANCIAL ASSISTANCE TO J. PETROCELLI DEVELOPMENT ASSOCIATES REGARDING THE REHABILITATION AND CONSTRUCTION OF ATLANTIS PHASE III PRESTON HOUSE

Lou Kalogeras offered the following resolution, which was seconded by Lori Ann Pipczynski.

WHEREAS, by resolution dated January 12, 2016 the Riverhead Industrial Development Agency made findings and determination regarding the provision of financial assistance for the rehabilitation and construction of Atlantis Phase III Preston House, and

WHEREAS, such resolution was conditional upon receipt by J. Petrocelli Development Associates of a Bank Commitment Letter allowing the necessary financing of the cost of construction, and

WHEREAS, J. Petrocelli Development Associates has filed with the Agency a letter of commitment for a construction loan and permanent financing from Suffolk County National Bank dated April 6, 2016, and

WHEREAS, J. Petrocelli Development Associates has formed a special purpose entity owned by the same individuals known as Preston House LLC, 100 Comac Street, Ronkonkoma, New York, to hold legal title to the Facility, and

WHEREAS, by correspondence dated April 27, 2016 the Applicant advised that legal title to the Project would be held in the name of Preston House LLC and that the parcel to the North of the Project known as 117/123 Ostrander Avenue (SCTM # 0600-129.00-03.00-014.000) has been placed in contract by the same principals of the Applicant such that site issues of design and Project layout may be addressed during the pending site plan review by the Riverhead Planning Board.

NOW, THEREFORE, BE IT RESOLVED, that Agency Resolution dated January 12, 2016 is hereby ratified and confirmed as supplemented by this resolution. The Agency directs that the closing documents shall reflect the legal ownership of the Project by Preston House LLC, and

BE IT FURTHER RESOLVED, that the Agency recognizes that a portion of the Project may, due to design constraints, be constructed on 117/123 Ostrander Avenue. However, no real property tax abatement shall be granted such parcel absent further Agency proceedings, and

BE IT FURTHER RESOLVED, that the total Project Cost be stated as \$10,691,500.00 as stated in the aforesaid commitment letter and that the Agency fee shall be \$76,728.00 to be paid at closing of the construction financing provided by Suffolk County National Bank, and

BE IT FURTHER RESOLVED, 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, PILOT, and Guarantees, necessary to grant the financial assistance set forth herein.

Vote: 4 Yes
1 Absent

DATE: 5/5/14


Secretary/Asst. Sect.