

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 December 21, 2022 at 5:00 p.m. o'clock, Prevailing Time.

The meeting was called to order by James B. Farley and upon roll being called, the following were

PRESENT: James Farley

Lori Ann Pipczynski

Anthony Barresi

Doug Williams

ABSENT: Lee Mendelson

The following resolution was offered by Member ANTHONY BARRESI, who moved its adoption, seconded by Member DOUG WILLIAMS, to wit:

RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY

RESOLUTION #56-22

DATED DECEMBER 21, 2022

A RESOLUTION AUTHORIZING THE EXTENSION OF PROJECT COMPLETION DATE
BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO ISLAND
WATER PARK CORP. AND RELATED ENTITIES

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 previously provided assistance to Island Water Park Corp., a business corporation organized and existing under the laws of the State of New York (the “Company”), and Island Water Park Operations, LLC, a limited liability company organized and existing under the laws of the State of New York (the “Sublessee”), in: (a) the acquisition of an approximately 42 acre parcel of land located at 5835 Middle Country Road, Calverton, New York 11933 (SCTM# 0600-135.00-01.00-007.034) (the “Land”), the construction of an approximately 75,000 square foot building thereon (the “Improvements”), and the acquisition and installation therein of certain equipment and personal property, not part of the Equipment (as defined below) (the “Facility Equipment”; and together with the Land and the Improvements, the “Company Facility”), which Company Facility is subleased by the Agency to the Company and subleased by the Company to the Sublessee; and (b) the acquisition and installation of certain equipment and personal property, including but not limited to, kitchen equipment, computer and information technology systems, lighting, furniture, televisions, HVAC, plumbing and equipment for its

attractions as more fully described below (the “**Equipment**”; and together with the Company Facility, the “**Facility**”), which Equipment is leased by the Agency to the Sublessee and which Facility is to be used by the Sublessee as an indoor/outdoor extreme water sports park including an indoor surf pool, rock climbing walls, indoor and outdoor volleyball courts, a zip line, spectator seating, obstacle courses, bumper boats, water slides, fitness center, spa, a pro shop, restaurants and recreational facility to be used year-round by visitors of the Town of Riverhead (the “**Project**”); and

WHEREAS, the Agency acquired a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of December 1, 2021 (the “**Company Lease**”), by and between the Company, as lessor, and the Agency, as lessee, and a memorandum of Company Lease was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, The Agency currently leases the Facility to the Company pursuant to a certain Lease and Project Agreement, dated as of December 1, 2021 (the “**Lease Agreement**”), by and between the Agency, as lessor, and the Company, as lessee, and a memorandum of Lease Agreement was to be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Equipment is leased to the Sublessee by the Agency pursuant to an Equipment Lease Agreement, dated as of December 1, 2021 (the “**Equipment Lease**”), between the Agency and the Sublessee; and

WHEREAS, The Company is sub-subleasing the Company Facility to the Sublessee pursuant to a certain Sublease Agreement, dated as of December 1, 2021 (the “**Sublease Agreement**”), by and between the Company, as sublessor and the Sublessee, as sublessee; and

WHEREAS, pursuant to Section 3.6 of the Lease Agreement, the Company agreed to complete the Project Work (as defined in the Lease Agreement) by December 31, 2022 (the “**Original Completion Date**”); and

WHEREAS, the Company has submitted a request to the Agency for an extension of the Original Completion Date, in order to complete the costs of the acquisition, construction and equipping of the Facility by December 31, 2023 (the “**Completion Date Extension**”); and

WHEREAS, to provide for the Completion Date Extension, the Agency, the Company and the Sublessee will enter into a certain Extension Agreement, dated as of December 1, 2022, or such other date as may be determined by the Chairman, Chief Executive Director and Counsel to the Agency (the “**Extension Agreement**”), by and between the Agency, the Company and the Sublessee; and

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

WHEREAS, the Company and the Sublessee have agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transactions contemplated by the Completion Date Extension as it relates to the Facility; 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. 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 acquisition, construction and equipping of the Facility, the continued subleasing and leasing of the Facility to the Company, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of 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, construction and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operation in the State of New York; and
- (e) The Extension Agreement will be an effective instrument whereby the Agency grants the Completion Date Extension to the Company and the Sublessee.

Section 2. In consequence of the foregoing, the Agency hereby (i) approves the Completion Date Extension, (ii) approves the form and substance of the Extension Agreement, and (iii) authorizes the execution and delivery of the Extension Agreement and such other related documents as may be necessary or appropriate to effectuate the Completion Date Extension.

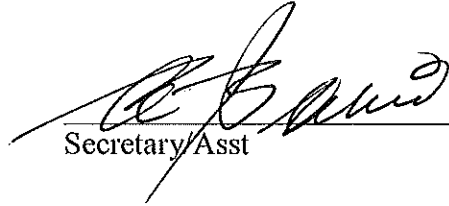
Section 3. Counsel to the Agency and Nixon Peabody LLP, Transaction Counsel to the Agency are hereby authorized and directed to prepare, for submission to the Agency, the Extension Agreement and all documents necessary to effectuate the Completion Date Extension described in the foregoing resolution.

Section 4. The Chairman, the Chief Executive Director, and any member of the Agency are each hereby authorized and directed (i) to distribute copies of this resolution to the Company and the Sublessee, 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 5. This resolution shall take effect upon immediately.

VOTE: 4 YES
1 ABSENT

DATE: 12/21/2022


Secretary/Asst