

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 4, 2017 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 Pipczynski, Secretary

Robert (Bob) Kern, Treasurer

Anthony Baressi

ABSENT: Elias (Lou) Kalogeras

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

RESOLUTION #55-17

DATED DECEMBER 4, 2017.

A RESOLUTION AUTHORIZING THE PROVISION OF FINANCIAL ASSISTANCE
BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO
JOHN WESLEY VILLAGE LP

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 John Wesley Village LP, a New York limited partnership qualified to do business in the State of New York (referred to herein as "Applicant"), with respect to the acquisition and renovation of an existing 115-unit senior subsidized housing rental facility located at Middle Road, Riverhead, New York (SCTM No. 0600-082.000-0002-004.006). The renovation shall include kitchen and bathroom replacements, removal of natural gas ranges and replacement with electric ranges, replacement of obsolete breaker panels, replacement of medical pull cord distress system with new wireless, central station monitored system, sidewalk area improvements, upgrade of site and walkway lighting, installation of rooftop photovoltaic solar panels, resurfacing of certain parking areas, and drilling and installation of irrigation wells for on-site landscaping use at an estimated cost of \$1,900,000. The facility will be purchased and renovated by John Wesley Village LP at a total project cost of \$12,804,393 (the "Project"). All Housing and Urban Development Agency contracts will be maintained and there will be no change in tenant eligibility or selection. All tenants will remain in place during the renovations; and

WHEREAS, a public hearing pursuant to Section 859-a of the General Municipal Law was held by the Agency on November 6, 2017 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 will be the acquisition and renovation of an existing 115-unit senior subsidized housing rental facility located at Middle Road, Riverhead, New York (SCTM No. 0600-082.000-0002-004.006). The renovation shall include kitchen and bathroom replacements, removal of natural gas ranges and replacement with electric ranges, replacement of obsolete breaker panels, replacement of medical pull cord distress system with new wireless, central station monitored system, sidewalk area improvements, upgrade of site and walkway lighting, installation of rooftop photovoltaic solar panels, resurfacing of certain parking areas, and drilling and installation of irrigation wells for on-site landscaping use at an estimated cost of \$1,900,000. The facility will be purchased and renovated by John Wesley Village LP at a total project cost of \$12,804,393 (the "Project"). All Housing and Urban

Development Agency contracts will be maintained and there will be no change in tenant eligibility or selection. All tenants will remain in place during the renovations.

The Board hereby finds and determines that the Project was placed in service in 1980 and since that time has provided safe, sanitary, and affordable housing for qualified Riverhead seniors. The Project has been exempt from taxation of school, county, town, and fire levies from 1980 continuing through present time. The Project will result in causing the Applicant to pay through the term of Agency benefit period \$2,175,000 to the school, county, town, and fire taxing jurisdictions and the Project shall be fully assessed on the tax roll at the conclusion of Agency benefit period. The Project improvements as detailed in the application for financial assistance will benefit all existing and future senior citizen residents of the Project. These Project improvements would not be available to the senior citizen residents without Agency approval of the Project.

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

The Applicant, John Wesley Village LP, has demonstrated ability and experience in the construction, maintenance and operation of Projects similar in nature to the Project.

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 a total value of eligible goods and services in the amount of \$1,900,000, and (ii) the real property is currently exempt from school, county, town and fire taxation. During the term of the project benefit period the Applicant shall pay PILOT payments for school, county, town and fire taxes totaling \$2,175,000 as set forth on the attached Schedule A, and shall pay on an assessed value as determined by the Riverhead Board of Assessors all special district taxes for sewer, water, street lighting, ambulance, and sewer rent as paid by annual tax bill effective the 2018/2019 tax year, and (iii) the provision of an abatement of the Mortgage Recording Tax on a mortgage not to exceed \$12,000,000. The following mortgage shall be exempt from all mortgage recording taxes except that tax attributable to the Metropolitan Region Mortgage Transportation Tax, currently %.30: Federal Housing Agency Mortgage not to exceed the amount of \$12,000,000. 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 \$82,011 and all reasonable Attorney fees of the Agency. Closing shall occur no later than one year from the date hereof.

Section 5. This resolution shall take effect upon immediately.

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 December, 2017.

JOHN WESLEY VILLAGE LP

Print Name: _____

Print Title:

STATE OF NEW YORK)

) SS.:

COUNTY OF SUFFOLK)

On the _____ day of December in the year 2017 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>	VOTING	<u>Yes</u>
<u>Lori Ann Pipeczynski</u>	VOTING	<u>Yes</u>
<u>Robert Kern</u>	VOTING	<u>Yes</u>
<u>Anthony Baressi</u>	VOTING	<u>Yes</u>
Elias Kalogeras	ABSENT	

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 December 4, 2017, 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	01-12-17

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

1-3-17

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency on 19 December, 2017.

A handwritten signature in cursive script, appearing to read "Ron A. Phipps", is written over a horizontal line.

Secretary

(CORPORATE

SEAL)

SCHEDULE A
REAL PROPERTY TAX ABATEMENT

Tax Year	Amount of PILOT Payment
Year 1	\$75,000.00
Year 2	\$75,000.00
Year 3	\$75,000.00
Year 4	\$75,000.00
Year 5	\$75,000.00
Year 6	\$85,000.00
Year 7	\$85,000.00
Year 8	\$85,000.00
Year 9	\$85,000.00
Year 10	\$95,000.00
Year 11	\$95,000.00
Year 12	\$95,000.00
Year 13	\$125,000.00
Year 14	\$125,000.00
Year 15	\$125,000.00
Year 16	\$150,000.00
Year 17	\$150,000.00
Year 18	\$150,000.00
Year 19	\$175,000.00
Year 20	\$175,000.00