

Cox & Co. Tax Deviation Resolution

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 1550 Franklin Avenue, Mineola, County of Nassau, New York, on March 1, 2017, at 5:00 p.m., local time.

The meeting was called to order by the Chairman, upon roll being called, the following members of the Agency were:

PRESENT:

Timothy Williams	Chairman
John Coumatos	Vice Chairman
Gary Weiss	Secretary
Christopher Fusco	Asst. Secretary

NOT PRESENT:

Michael Rodin

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Joseph J. Kearney	Executive Director
Joseph Foarile	Chief Financial Officer
Colleen Pereira	Administrative Director
Nicholas Terzulli	Director of Business Development
Edward Ambrosino, Esq.	General Counsel
Paul O'Brien, Esq.	Bond/Transaction Counsel

The attached resolution no. 2017-11 was offered by G. Weiss, seconded by C. Fusco:

Resolution No. 2017-11

RESOLUTION AUTHORIZING A DEVIATION FROM THE UNIFORM
TAX EXEMPTION POLICY OF THE NASSAU COUNTY
INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT
TO A PROJECT FOR COX & COMPANY, INC.

WHEREAS, the Nassau County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Cox & Company, Inc., a corporation organized and existing under the laws of the State of New York (the "Company") and Plainview Steel, LLC, a limited liability company formed and existing under the laws of the State of Delaware ("Steel" and together with the Company, collectively, the "Applicants"), presented an application for financial assistance to the Agency (as supplemented and amended, the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Original Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in an approximately 90,424 square foot portion (the "Original Premises") of a 250,000 square foot building (the "Building") on an approximately 15 acre parcel of land located 1650 Old Country Road, Plainview, Town of Oyster Bay, County of Nassau, New York (Section: 13; Block: 89; Lot: 60) (the "Land"), (2) the renovation of the Original Premises, and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing to constitute a manufacturing facility for use by the Company as its sole manufacturing location for the production of de-icing equipment for the transportation and aerospace industry (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal

Law) with respect to the foregoing, including potential exemptions or partial exemptions from sales and use taxes and real property taxes (but not including special assessments and ad valorem levies) (the "Financial Assistance"); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicants or such other entity as may be designated by the Applicants and agreed upon by the Agency; and

WHEREAS, the Agency appointed the Company as agent of the Agency to undertake the acquisition, renovation, installation and equipping of the Project Facility and the Agency has subleased the Project Facility to the Company, all pursuant to the terms and conditions set forth in the Sublease Agreement dated as of November 1, 2008 between the Company and the Agency (as amended to date, the "Lease"), and the other Transaction Documents (as defined in the Lease); and

WHEREAS, pursuant to a certain Payment in Lieu of Taxes Agreement, dated as of November 1, 2008, among the Applicants and the Agency (as amended to date, the "Existing PILOT Agreement"), the Applicants agreed to make certain payments in lieu of real property taxes with respect to the Land and the improvements thereon; and

WHEREAS, the Company has requested that the Agency undertake a project (the "Expansion Project") consisting of (A) the acquisition, renovation, installation and equipping of an approximately 7,500 square foot expansion of the Original Premises within the Building (the "Expansion Space" and together with the Original Premises, collectively, the "Premises"), and (B) the granting of certain additional "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, in the form of a potential exemption or partial exemption from sales and use taxes and an amended exemption from real property taxes with respect to the Premises (collectively, the "Additional Financial Assistance"); and

WHEREAS, the granting of the Additional Financial Assistance would represent a deviation from the Agency's uniform tax exemption policy (the "Tax Exemption Policy") with respect to the making of payments in lieu of real property taxes; and

WHEREAS, pursuant to Section 874(4) of the Act, (A) the Executive Director of the Agency caused a letter dated February 10, 2017 (collectively, the "Pilot Deviation Notice Letter") to be mailed to the chief executive officer of each affected tax jurisdiction, informing said individuals that the Agency would, at its meeting on March 1, 2017 (the "IDA Meeting"), consider a proposed deviation from the Tax Exemption Policy with respect to the amended and restated payment in lieu of taxes agreement to be entered into by the Agency with respect to the Project Facility; and (B) the members of the Agency conducted the IDA Meeting on the date hereof and reviewed any written comments and correspondence received with respect to the proposed deviation from the Tax Exemption Policy; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 874(4) of the Act with respect to the proposed deviation from the Tax Exemption Policy;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby determines that the Agency has fully complied with the requirements of Section 874(4) of the Act relating to the proposed deviation from the Tax Exemption Policy.

Section 2. Having reviewed all written comments and correspondence received by the Agency, the Agency hereby approves the proposed deviation from the Tax Exemption Policy as described in the Pilot Deviation Notice Letter (copies of which are attached hereto as Exhibit A) because (i) such deviation is necessary to induce the Company to undertake the Expansion Project, (ii) the Expansion Project will result in additional permanent jobs being created by the Company at the Project Facility, and (iii) the PILOT Payments during the extension term are greater than the PILOT Payment for the final year of the term of the Existing PILOT Agreement.

Section 3. The Chairman, Vice Chairman, Executive Director and Administrative Director of the Agency are each hereby authorized and directed, acting individually or jointly, to distribute copies of this Resolution to the Applicants and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution. If the Agency hereafter adopts appropriate final approving resolutions with respect to the proposed amendment and restatement of the Existing PILOT Agreement (the "Transaction"), the Chairman, Vice Chairman, Executive Director and Administrative Director of the Agency are each hereby authorized and directed, acting individually or jointly, to cause the Agency to (A) enter into an Amended and Restated Payment in Lieu of Taxes Agreement with the Applicants providing, among other things, that the Applicants shall make amended payments in lieu of taxes consistent with the formula set forth in the Pilot Deviation Notice Letter, and (B) file an amended application for real property tax exemption with the appropriate assessor(s) with respect to the Project Facility.

Section 5. This Resolution shall take effect immediately, but is subject to and conditioned upon the closing of the Transaction.

ADOPTED: March 1, 2017

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

Timothy Williams	VOTING	Aye
John Coumatos	VOTING	Aye
Gary Weiss	VOTING	Aye
Christopher Fusco	VOTING	Aye
Michael Rodin	EXCUSED	

The foregoing Resolution was thereupon declared duly adopted.

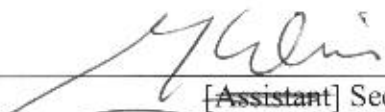
STATE OF NEW YORK)
) SS.:
COUNTY OF NASSAU)

We, the undersigned ~~[Vice]~~ Chairman and ~~[Assistant]~~ Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on March 1, 2017 with the original thereof on file in our office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

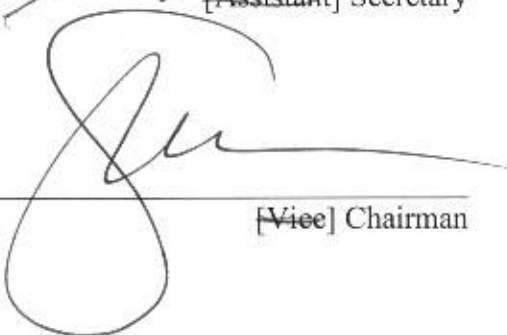
WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

WE FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, we have hereunto set our respective hands and affixed the seal of the Agency this 1st day of March, 2017.



~~[Assistant]~~ Secretary



~~[Vice]~~ Chairman

(SEAL)

EXHIBIT A

Pilot Deviation Notice Letter

See Attached

EDWARD P. MANGANO
COUNTY EXECUTIVE



JOSEPH J. KEARNEY
EXECUTIVE DIRECTOR

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
THEODORE ROOSEVELT COUNTY EXECUTIVE & LEGISLATIVE BLDG.
1550 FRANKLIN AVENUE, SUITE 215
MINEOLA, NY 11501
TELEPHONE: (516) 571-1943 FAX: (516) 571-1076
www.nassaida.org

February 10, 2017

CERTIFIED MAIL, RETURN
RECEIPT REQUESTED and
FIRST CLASS MAIL

County Executive Edward P. Mangano
County of Nassau
1550 Franklin Avenue
Mineola, NY 11501

NOTICE OF PROPOSED DEVIATION FROM UNIFORM
TAX EXEMPTION POLICY AND GUIDELINES

Dear County Executive Edward P. Mangano:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on March 1, 2017 at 5:00 p.m. at the offices of the Agency at 1550 Franklin Avenue, Mineola, New York 11501, the Agency will consider whether to approve an application from COX & COMPANY, INC., a corporation organized and existing under the laws of the State of New York (the "Company"), for certain "financial assistance" which, if granted, would represent a deviation from the Agency's Uniform Tax Exemption Policy and Guidelines (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

The Company, Plainview Steel, LLC (the "Overlandlord" and together with the Company, collectively, the "Applicants") and the Agency are parties to a Payment in Lieu of Taxes Agreement dated as of November 1, 2008 (as amended, modified, supplemented or restated to date, the "Existing PILOT Agreement"), pursuant to which the Agency granted an exemption from real property taxes to the Applicants with respect to an approximately 90,424 square foot portion (the "Premises") of a 250,000 square foot building on an approximately 15 acre parcel of land located at 1650 Old Country Road, Plainview, Town of Oyster Bay, Nassau County, New York (Section: 13; Block: 89; Lot: 60) (the "Facility").

The Company has requested that the Agency provide certain additional financial assistance (the "Project") in connection with an approximately 7,500 square foot expansion of the Premises (the Premises as so expanded, the "Expanded Premises"), including, without limitation, additional sales and uses taxes and an amended exemption from real property taxes with respect to the Expanded Premises extending the term of the Existing PILOT Agreement and providing for increased payments in lieu of real property taxes during the extended term of the Existing PILOT Agreement (the "Additional Financial Assistance").

The Company has requested that the Agency grant an amended real property tax exemption (the "Amended Property Tax Exemption") with respect to the Facility, by extending the term of the Existing PILOT Agreement for a period of approximately fourteen (14) fiscal tax years (the "Extension Term"), during which Extension Term the Applicants would be required to make increased payments in lieu of real property taxes as set forth in Exhibit A attached hereto. The PILOT payments during the term of the Existing PILOT Agreement would be unaffected by the Amended Property Tax Exemption.

After the expiration of the Extension Term, and through the end of the period in which the Agency has an interest in the Expanded Premises, the payments would be equal to the real property taxes that would be payable as if the Expanded Premises were returned to the tax rolls as taxable real property and subject to taxation at its then current, full assessed value, as the same may be reassessed from time to time, and subject to tax rate increases imposed by the affected tax jurisdictions.

The Amended Property Tax Exemption, if approved by the Agency, would constitute a deviation from the Policy.

The reasons for the proposed deviation from the Policy are that the Amended Property Tax Exemption, if approved by the Agency, (i) is necessary to induce the Company to undertake the Project, (ii) the Project will result in additional permanent jobs being created by the Company at the Facility, and (iii) the PILOT Payments during the Extension Term are greater than the PILOT Payment for the final year of the term of the Existing PILOT Agreement.

Sincerely,

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY


By: 
Joseph J. Kearney
Executive Director

EXHIBIT A

Amended Property Tax Exemption

<u>PILOT Yr.</u>	<u>Extension Term PILOT Payments</u>
11	\$276,888.85
12	\$283,811.07
13	\$290,906.34
14	\$298,179.00
15	\$305,633.48
16	\$313,274.31
17	\$321,106.17
18	\$329,133.83
19	\$337,362.17
20	\$345,796.23
21	\$354,441.13
22	\$363,302.16
23	\$372,384.71
24	\$381,694.33

EDWARD P. MANGANO
COUNTY EXECUTIVE



JOSEPH J. KEARNEY
EXECUTIVE DIRECTOR

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
THEODORE ROOSEVELT COUNTY EXECUTIVE & LEGISLATIVE BLDG.
1550 FRANKLIN AVENUE, SUITE 200
MINEOLA, NY 11501
TELEPHONE (516) 871-1443 FAX (516) 871-0956
www.nassaimda.org

February 10, 2017

**CERTIFIED MAIL, RETURN
RECEIPT REQUESTED and
FIRST CLASS MAIL**

Supervisor Joseph S. Saladino
Town of Oyster Bay
54 Audrey Avenue
Oyster Bay, NY 11771

**NOTICE OF PROPOSED DEVIATION FROM UNIFORM
TAX EXEMPTION POLICY AND GUIDELINES**

Dear Supervisor Joseph S. Saladino:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on March 1, 2017 at 5:00 p.m. at the offices of the Agency at 1550 Franklin Avenue, Mineola, New York 11501, the Agency will consider whether to approve an application from COX & COMPANY, INC., a corporation organized and existing under the laws of the State of New York (the "Company"), for certain "financial assistance" which, if granted, would represent a deviation from the Agency's Uniform Tax Exemption Policy and Guidelines (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

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Sincerely,

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By:



Joseph J. Kearney
Executive Director

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EDWARD P. MANGANO
COUNTY EXECUTIVE



JOSEPH J. KEARNEY
EXECUTIVE DIRECTOR

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
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1550 FRANKLIN AVENUE, SUITE 235
MINEOLA, NY 11501
TELEPHONE (516) 571-1945 FAX (516) 571-1078
www.nassaid.org

February 10, 2017

**CERTIFIED MAIL, RETURN
RECEIPT REQUESTED and
FIRST CLASS MAIL**

Superintendent Lorna R. Lewis
Plainview – Old Bethpage Central School District
106 Washington Avenue
Plainview, NY 11803

**NOTICE OF PROPOSED DEVIATION FROM UNIFORM
TAX EXEMPTION POLICY AND GUIDELINES**

Dear Superintendent Lorna R. Lewis:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on March 1, 2017 at 5:00 p.m. at the offices of the Agency at 1550 Franklin Avenue, Mineola, New York 11501, the Agency will consider whether to approve an application from COX & COMPANY, INC., a corporation organized and existing under the laws of the State of New York (the "Company"), for certain "financial assistance" which, if granted, would represent a deviation from the Agency's Uniform Tax Exemption Policy and Guidelines (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

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NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Joseph J. Kearney
Executive Director

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