

Farmingdale Development Phase II 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 at 1550 Franklin Avenue, Mineola, Nassau County, New York, on June 11, 2013, at 5:00 p.m. local time.

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

PRESENT:

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

ABSENT:

John T. Ahern

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

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

The attached resolution no. 2013-47 was offered by G. Weiss, seconded by J. Coumatos:

Resolution No. 2013-47

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

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, Farmingdale Development Company, L.P. (the "Applicant") submitted an application for financial assistance (the "Application") to the Agency requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in a parcel of land located at 120 Secatogue Avenue, Incorporated Village of Farmingdale, Town of Oyster Bay, County of Nassau, New York (Section: 49; Block: 80; Lot: 3) (collectively, the "Land"), (2) the demolition of the existing structures on the Land, (3) the construction of an approximately 46,000 square foot building on the Land, together with parking and other related improvements to the Land (collectively, the "Building"), and (4) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing for use by the Applicant as a mixed-use facility consisting of approximately 6,000 square feet of commercial space and 39 residential rental apartments, a portion of which shall be affordable units (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, mortgage recording taxes and real property taxes; and (C) the lease (with an obligation to

purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, the Application states that the Applicant is seeking an exemption from real property taxes with respect to the Project Facility that constitutes a deviation from the Agency's Uniform Tax Exemption Policy (the "Tax Exemption Policy"); and

WHEREAS, pursuant to Section 874(4) of the Act, the Executive Director of the Agency (A) caused letters dated May 10, 2013 and June 4, 2013 (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 June 11, 2013 (the "IDA Meeting"), consider a proposed deviation from the Tax Exemption Policy with respect to the payment in lieu of taxes agreement to be entered into by the Agency with respect to the Project Facility; and (B) conducted the IDA Meeting on the date hereof and reviewed any written comments and correspondence received from the affected tax jurisdictions 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 prior to the IDA Meeting from the affected tax jurisdictions and having heard all comments made at this meeting, 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 the proposed deviation is necessary to induce the Applicant to undertake the Project and because the PILOT payments would not be lower than the real property taxes that would otherwise apply with respect to the Land as of the closing date.

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 Applicant 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 straight-lease transaction with the Applicant (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 a Payment in Lieu of Taxes Agreement with the Applicant providing, among other things, that the Applicant shall make payments in lieu of taxes consistent with the formula set forth in the Pilot Deviation Notice Letter, and (B) file an application for real property tax exemption with the appropriate assessor(s) with respect to the Project Facility.

Section 4. This Resolution shall take effect immediately, but is subject to and conditioned upon the closing of the Transaction.

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	No
John T. Ahern	EXCUSED	

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (~~Assistant~~) Secretary of Nassau County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on June 11, 2013 with the original and of such resolution set forth therein and of the whole of such original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all aspects 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.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 11th day of June, 2013.



[Asst.] Secretary

(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 235
MINEOLA, NY 11501
TELEPHONE (516) 571-1945 FAX (516) 571-1076
www.nassauida.org

June 4, 2013

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

Supervisor John Venditto
Town of Oyster Bay
54 Audrey Avenue
Oyster Bay, NY 11771

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

Dear Supervisor Venditto:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on June 11, 2013 at 5:00 p.m. local time at the offices of the Agency at 1550 Franklin Avenue, Suite 235, Mineola, New York, the Agency will consider whether to approve the application of Farmingdale Development Company, L.P., a limited partnership organized and existing under the laws of the State of Delaware and qualified to do business as a foreign limited partnership in the State of New York (the "Applicant") for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

The Applicant has submitted an application (the "Application") to the Agency requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in a parcel of land located at 120 Secatogue Avenue, Incorporated Village of Farmingdale, Town of Oyster Bay, County of Nassau, New York (Section: 49; Block: 80; Lot: 3) (collectively, the "Land"), (2) the demolition of the existing structures on the Land,

(3) the construction of an approximately 46,000 square foot building on the Land, together with parking and other related improvements to the Land (collectively, the "Building"), and (4) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing for use by the Applicant as a mixed-use facility consisting of approximately 6,000 square feet of commercial space and 39 residential rental apartments, a portion of which shall be affordable units (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, mortgage recording taxes and real property taxes; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

The Application states that the Applicant is seeking an abatement of real property taxes. However, based upon preliminary negotiations between representatives of the Applicant and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption (the "Property Tax Exemption") with respect to the Project Facility as follows:

- (i) for the period commencing on the date of the closing of the Project transaction (the "Closing Date") to and including the day prior to the Effective Date, payments shall be equal to one hundred percent (100%) of the real property taxes and assessments that would be levied annually upon the Project Facility without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project Facility to the Agency; and
- (ii) for the period commencing on the Effective Date and continuing for twenty (20) full fiscal tax years thereafter, fixed payments equal to the sum of the BASE PILOT and the IMPROVEMENT PILOT.

Thereafter, and through the end of the term of the lease or installment sale agreement with respect to the Project Facility, the payments would be equal to the real property taxes and assessments that would be payable as if the Project Facility were returned to the tax rolls as taxable 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.

For the purposes of the foregoing, the following terms shall have the following meanings:

- (a) "BASE PILOT" shall be deemed to mean the amount of all real property taxes and assessments payable on the Land, such amount to be determined by the Agency based on the most recent assessment data available to the Agency as of the Closing Date, which amount shall be increased by three percent (3%) per year (compounded) after the third (3rd) fiscal tax year. Except as set forth in the immediately preceding sentence, the BASE PILOT shall not increase or decrease during the term of the PILOT Agreement. The BASE PILOT shall be reduced by any

special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(b) "IMPROVEMENT PILOT" shall be deemed to mean the product of the following amounts, as determined by the Agency: (i) the Assessed Value of the Improvement, (ii) the PILOT Rate, and (iii) the number 0.01, as phased in and adjusted pursuant to Exhibit A attached hereto. The term "Assessed Value of the Improvement" shall be deemed to mean the product of (y) the fair market value of the Project Facility (less the market value used in the calculation of the BASE PILOT) for real property tax valuation purposes, computed as of the estimated date of completion, as determined by the Agency using a methodology reasonably selected by the Agency, and (z) the level of assessment used by the Nassau County Assessor as of the year in which the Closing Date occurs. The PILOT Rate shall be evidenced by School Tax Bills, Village Tax Bills and General Tax Bills based on the most recent data available to the Agency as of the year in which the Closing Date occurs. The IMPROVEMENT PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(c) "Effective Date" shall be deemed to mean for each affected tax jurisdiction the first day of the first fiscal tax year occurring after the first tax status date occurring after the Closing Date.

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

The reason for the deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to induce the Applicant to undertake the Project and that the PILOT payments would not be lower than the real property taxes that would otherwise apply with respect to the Land as of the Closing Date.

Prior notice of a deviation from the Policy was given by the Agency by letter dated May 10, 2013 with respect to a meeting of the members of the Agency to be held on May 24, 2013. That meeting were adjourned without action on this matter. This letter constitutes notice of the re-scheduled meeting of the Agency to consider the deviation set forth above.

Sincerely,

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

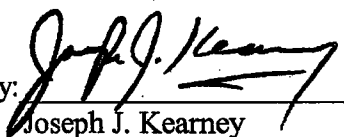
By: 
Joseph J. Kearney
Executive Director

Exhibit A

Period	Begin	End	Assessed Value of Improvement ("AV") Phase-In	PILOT RATE
1	Closing Date	1 day prior to Effective Date	N/A	N/A
2	Effective Date	1 yr Anniversary of Effective Date	.00 * AV	SUM OF TAX RATES AS OF YEAR OF CLOSING ("RATE")
3	1 yr Anniversary of Effective Date	2 yr Anniversary of Effective Date	.05 * AV	RATE
4	2 yr Anniversary of Effective Date	3 yr Anniversary of Effective Date	.10 * AV	RATE
5	3 yr Anniversary of Effective Date	4 yr Anniversary of Effective Date	.15 * AV	RATE * 1.03
6	4 yr Anniversary of Effective Date	5 yr Anniversary of Effective Date	.20 * AV	RATE * 1.0609
7	5 yr Anniversary of Effective Date	6 yr Anniversary of Effective Date	.25 * AV	RATE * 1.0927
8	6 yr Anniversary of Effective Date	7 yr Anniversary of Effective Date	.30 * AV	RATE * 1.1255
9	7 yr Anniversary of Effective Date	8 yr Anniversary of Effective Date	.35 * AV	RATE * 1.1593
10	8 yr Anniversary of Effective Date	9 yr Anniversary of Effective Date	.40 * AV	RATE * 1.1941
11	9 yr Anniversary of Effective Date	10 yr Anniversary of Effective Date	.45 * AV	RATE * 1.2299
12	10 yr Anniversary of Effective Date	11 yr Anniversary of Effective Date	.50 * AV	RATE * 1.2688
13	11 yr Anniversary of Effective Date	12 yr Anniversary of Effective Date	.55 * AV	RATE * 1.3048
14	12 yr Anniversary of Effective Date	13 yr Anniversary of Effective Date	.60 * AV	RATE * 1.3439
15	13 yr Anniversary of Effective Date	14 yr Anniversary of Effective Date	.65 * AV	RATE * 1.3842
16	14 yr Anniversary of Effective Date	15 yr Anniversary of Effective Date	.70 * AV	RATE * 1.4258
17	15 yr Anniversary of Effective Date	16 yr Anniversary of Effective Date	.75 * AV	RATE * 1.4685
18	16 yr Anniversary of Effective Date	17 yr Anniversary of Effective Date	.80 * AV	RATE * 1.5126
19	17 yr Anniversary of Effective Date	18 yr Anniversary of Effective Date	.85 * AV	RATE * 1.5580
20	18 yr Anniversary of Effective Date	19 yr Anniversary of Effective Date	.90 * AV	RATE * 1.6047
21	19 yr Anniversary of Effective Date	20 yr Anniversary of Effective Date	.95 * AV	RATE * 1.6528
Period	BASE PILOT	IMPROVEMENT PILOT	TOTAL PILOT	
1	100 % of taxes as of year of Closing	100 % of taxes as of year of Closing	BASE PILOT + IMPROVEMENT PILOT	
2	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
3	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
4	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
5	100% of taxes as of year of Closing * 1.03	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
6	100% of taxes as of year of Closing * 1.0609	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
7	100% of taxes as of year of Closing *	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	*
8	100% of taxes as of year of Closing *	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
9	100% of taxes as of year of Closing *	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
10	100% of taxes as of year of Closing *	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
11	100% of taxes as of year of Closing *	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
12	100% of taxes as of year of Closing *	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	

	1,2668			
13	100% of taxes as of year of Closing *1,3048	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
14	100% of taxes as of year of Closing *1,3439	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
15	100% of taxes as of year of Closing *1,3842	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
16	100% of taxes as of year of Closing *1,4258	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
17	100% of taxes as of year of Closing *1,4685	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
18	100% of taxes as of year of Closing *1,5126	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
19	100% of taxes as of year of Closing *1,5580	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
20	100% of taxes as of year of Closing *1,6047	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
21	100% of taxes as of year of Closing *1,6528	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	

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 235
MINEOLA, NY 11501
TELEPHONE (516) 571-1945 FAX (516) 571-1076
www.nassauida.org
June 4, 2013

CERTIFIED MAIL, RETURN
RECEIPT REQUESTED and
FIRST CLASS MAIL

Superintendent John Lorentz
Farmingdale Union Free School District
50 Van Cott Avenue
Farmingdale, NY 11735

NOTICE OF PROPOSED DEVIATION FROM
UNIFORM TAX EXEMPTION POLICY

Dear Superintendent Lorentz:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on June 11, 2013 at 5:00 p.m. local time at the offices of the Agency at 1550 Franklin Avenue, Suite 235, Mineola, New York, the Agency will consider whether to approve the application of Farmingdale Development Company, L.P., a limited partnership organized and existing under the laws of the State of Delaware and qualified to do business as a foreign limited partnership in the State of New York (the "Applicant") for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

The Applicant has submitted an application (the "Application") to the Agency requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in a parcel of land located at 120 Secatogue Avenue, Incorporated Village of Farmingdale, Town of Oyster Bay, County of Nassau, New York (Section: 49; Block: 80; Lot: 3) (collectively, the "Land"), (2) the demolition of the existing structures on the Land, (3) the construction of an approximately 46,000 square foot building on the Land, together with parking and other related improvements to the Land (collectively, the "Building"), and (4) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing for use by the Applicant as a mixed-use facility consisting of approximately 6,000 square feet of commercial space and 39 residential rental

apartments, a portion of which shall be affordable units (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, mortgage recording taxes and real property taxes; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

The Application states that the Applicant is seeking an abatement of real property taxes. However, based upon preliminary negotiations between representatives of the Applicant and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption (the "Property Tax Exemption") with respect to the Project Facility as follows:

- (i) for the period commencing on the date of the closing of the Project transaction (the "Closing Date") to and including the day prior to the Effective Date, payments shall be equal to one hundred percent (100%) of the real property taxes and assessments that would be levied annually upon the Project Facility without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project Facility to the Agency; and
- (ii) for the period commencing on the Effective Date and continuing for twenty (20) full fiscal tax years thereafter, fixed payments equal to the sum of the BASE PILOT and the IMPROVEMENT PILOT.

Thereafter, and through the end of the term of the lease or installment sale agreement with respect to the Project Facility, the payments would be equal to the real property taxes and assessments that would be payable as if the Project Facility were returned to the tax rolls as taxable 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.

For the purposes of the foregoing, the following terms shall have the following meanings:

(a) "BASE PILOT" shall be deemed to mean the amount of all real property taxes and assessments payable on the Land, such amount to be determined by the Agency based on the most recent assessment data available to the Agency as of the Closing Date, which amount shall be increased by three percent (3%) per year (compounded) after the third (3rd) fiscal tax year. Except as set forth in the immediately preceding sentence, the BASE PILOT shall not increase or decrease during the term of the PILOT Agreement. The BASE PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(b) "IMPROVEMENT PILOT" shall be deemed to mean the product of the following amounts, as determined by the Agency: (i) the Assessed Value of the Improvement, (ii) the PILOT Rate, and (iii) the number 0.01, as phased in and adjusted pursuant to Exhibit A attached hereto. The term "Assessed Value of the Improvement" shall be deemed to mean the product of

(y) the fair market value of the Project Facility (less the market value used in the calculation of the BASE PILOT) for real property tax valuation purposes, computed as of the estimated date of completion, as determined by the Agency using a methodology reasonably selected by the Agency, and (z) the level of assessment used by the Nassau County Assessor as of the year in which the Closing Date occurs. The PILOT Rate shall be evidenced by School Tax Bills, Village Tax Bills and General Tax Bills based on the most recent data available to the Agency as of the year in which the Closing Date occurs. The IMPROVEMENT PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(c) "Effective Date" shall be deemed to mean for each affected tax jurisdiction the first day of the first fiscal tax year occurring after the first tax status date occurring after the Closing Date.

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

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Prior notice of a deviation from the Policy was given by the Agency by letter dated May 10, 2013 with respect to a meeting of the members of the Agency to be held on May 24, 2013. That meeting were adjourned without action on this matter. This letter constitutes notice of the re-scheduled meeting of the Agency to consider the deviation set forth above.

Sincerely,

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

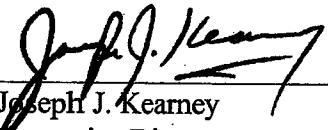
By: 
Joseph J. Kearney
Executive Director

Exhibit A

Period	Begin	End	Assessed Value of Improvement ("AV") Phase-In	Pilot Rate
1	Closing Date	1 day prior to Effective Date	N/A	N/A
2	Effective Date	1 yr Anniversary of Effective Date	.00 * AV	SUM OF TAX RATES AS OF YEAR OF CLOSING ("RATE")
3	1 yr Anniversary of Effective Date	2 yr Anniversary of Effective Date	.05 * AV	RATE
4	2 yr Anniversary of Effective Date	3 yr Anniversary of Effective Date	.10 * AV	RATE
5	3 yr Anniversary of Effective Date	4 yr Anniversary of Effective Date	.15 * AV	RATE * 1.03
6	4 yr Anniversary of Effective Date	5 yr Anniversary of Effective Date	.20 * AV	RATE * 1.0609
7	5 yr Anniversary of Effective Date	6 yr Anniversary of Effective Date	.25 * AV	RATE * 1.0927
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10	8 yr Anniversary of Effective Date	9 yr Anniversary of Effective Date	.40 * AV	RATE * 1.1941
11	9 yr Anniversary of Effective Date	10 yr Anniversary of Effective Date	.45 * AV	RATE * 1.2299
12	10 yr Anniversary of Effective Date	11 yr Anniversary of Effective Date	.50 * AV	RATE * 1.2668
13	11 yr Anniversary of Effective Date	12 yr Anniversary of Effective Date	.55 * AV	RATE * 1.3048
14	12 yr Anniversary of Effective Date	13 yr Anniversary of Effective Date	.60 * AV	RATE * 1.3439
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19	17 yr Anniversary of Effective Date	18 yr Anniversary of Effective Date	.85 * AV	RATE * 1.5580
20	18 yr Anniversary of Effective Date	19 yr Anniversary of Effective Date	.90 * AV	RATE * 1.6047
21	19 yr Anniversary of Effective Date	20 yr Anniversary of Effective Date	.95 * AV	RATE * 1.6528
Period	BASE PILOT	IMPROVEMENT PILOT	TOTAL PILOT	
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6	100% of taxes as of year of Closing * 1.0609	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
7	100% of taxes as of year of Closing * 1.0927	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
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9	100% of taxes as of year of Closing * 1.1593	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
10	100% of taxes as of year of Closing * 1.1941	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
11	100% of taxes as of year of Closing * 1.2299	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
12	100% of taxes as of year of Closing *	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	

13	1,2668 100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT		
14	*1,3048 100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT		
15	*1,3439 100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT		
16	*1,3842 100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT		
17	*1,4258 100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT		
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20	*1,5580 100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT		
21	*1,6047 100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT		
	*1,6528				

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 235
MINEOLA, NY 11501
TELEPHONE (516) 571-1945 FAX (516) 571-1076
www.nassauida.org

June 4, 2013

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

Mayor Ralph Ekstrand
Incorporated Village of Farmingdale
361 Main Street
Farmingdale, NY 11735

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

Dear Mayor Ekstrand:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on June 11, 2013 at 5:00 p.m. local time at the offices of the Agency at 1550 Franklin Avenue, Suite 235, Mineola, New York, the Agency will consider whether to approve the application of Farmingdale Development Company, L.P., a limited partnership organized and existing under the laws of the State of Delaware and qualified to do business as a foreign limited partnership in the State of New York (the "Applicant") for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

The Applicant has submitted an application (the "Application") to the Agency requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in a parcel of land located at 120 Secatogue Avenue, Incorporated Village of Farmingdale, Town of Oyster Bay, County of Nassau, New York (Section: 49; Block:

80; Lot: 3) (collectively, the "Land"), (2) the demolition of the existing structures on the Land, (3) the construction of an approximately 46,000 square foot building on the Land, together with parking and other related improvements to the Land (collectively, the "Building"), and (4) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing for use by the Applicant as a mixed-use facility consisting of approximately 6,000 square feet of commercial space and 39 residential rental apartments, a portion of which shall be affordable units (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, mortgage recording taxes and real property taxes; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

The Application states that the Applicant is seeking an abatement of real property taxes. However, based upon preliminary negotiations between representatives of the Applicant and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption (the "Property Tax Exemption") with respect to the Project Facility as follows:

(i) for the period commencing on the date of the closing of the Project transaction (the "Closing Date") to and including the day prior to the Effective Date, payments shall be equal to one hundred percent (100%) of the real property taxes and assessments that would be levied annually upon the Project Facility without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project Facility to the Agency; and

(ii) for the period commencing on the Effective Date and continuing for twenty (20) full fiscal tax years thereafter, fixed payments equal to the sum of the BASE PILOT and the IMPROVEMENT PILOT.

Thereafter, and through the end of the term of the lease or installment sale agreement with respect to the Project Facility, the payments would be equal to the real property taxes and assessments that would be payable as if the Project Facility were returned to the tax rolls as taxable 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.

For the purposes of the foregoing, the following terms shall have the following meanings:

(a) "BASE PILOT" shall be deemed to mean the amount of all real property taxes and assessments payable on the Land, such amount to be determined by the Agency based on the most recent assessment data available to the Agency as of the Closing Date, which amount shall be increased by three percent (3%) per year (compounded) after the third (3rd) fiscal tax year. Except as set forth in the immediately preceding sentence, the BASE PILOT shall not increase or decrease during the term of the PILOT Agreement. The BASE PILOT shall be reduced by any

special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(b) "IMPROVEMENT PILOT" shall be deemed to mean the product of the following amounts, as determined by the Agency: (i) the Assessed Value of the Improvement, (ii) the PILOT Rate, and (iii) the number 0.01, as phased in and adjusted pursuant to Exhibit A attached hereto. The term "Assessed Value of the Improvement" shall be deemed to mean the product of (y) the fair market value of the Project Facility (less the market value used in the calculation of the BASE PILOT) for real property tax valuation purposes, computed as of the estimated date of completion, as determined by the Agency using a methodology reasonably selected by the Agency, and (z) the level of assessment used by the Nassau County Assessor as of the year in which the Closing Date occurs. The PILOT Rate shall be evidenced by School Tax Bills, Village Tax Bills and General Tax Bills based on the most recent data available to the Agency as of the year in which the Closing Date occurs. The IMPROVEMENT PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(c) "Effective Date" shall be deemed to mean for each affected tax jurisdiction the first day of the first fiscal tax year occurring after the first tax status date occurring after the Closing Date.

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

The reason for the deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to induce the Applicant to undertake the Project and that the PILOT payments would not be lower than the real property taxes that would otherwise apply with respect to the Land as of the Closing Date.

Prior notice of a deviation from the Policy was given by the Agency by letter dated May 10, 2013 with respect to a meeting of the members of the Agency to be held on May 24, 2013. That meeting were adjourned without action on this matter. This letter constitutes notice of the re-scheduled meeting of the Agency to consider the deviation set forth above.

Sincerely,

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY


By: 
Joseph J. Kearney
Executive Director

Exhibit A

Period	Begin	End	Assessed Value of Improvement ("AV") Phase-In	Pilot Rate
1	Closing Date	1 day prior to Effective Date	N/A	N/A
2	Effective Date	1 yr Anniversary of Effective Date	.00 * AV	SUM OF TAX RATES AS OF YEAR OF CLOSING ("RATE") RATE
3	1 yr Anniversary of Effective Date	2 yr Anniversary of Effective Date	.05 * AV	RATE * 1.03
4	2 yr Anniversary of Effective Date	3 yr Anniversary of Effective Date	.10 * AV	RATE * 1.0609
5	3 yr Anniversary of Effective Date	4 yr Anniversary of Effective Date	.15 * AV	RATE * 1.0927
6	4 yr Anniversary of Effective Date	5 yr Anniversary of Effective Date	.20 * AV	RATE * 1.1255
7	5 yr Anniversary of Effective Date	6 yr Anniversary of Effective Date	.25 * AV	RATE * 1.1593
8	6 yr Anniversary of Effective Date	7 yr Anniversary of Effective Date	.30 * AV	RATE * 1.1941
9	7 yr Anniversary of Effective Date	8 yr Anniversary of Effective Date	.35 * AV	RATE * 1.2299
10	8 yr Anniversary of Effective Date	9 yr Anniversary of Effective Date	.40 * AV	RATE * 1.2668
11	9 yr Anniversary of Effective Date	10 yr Anniversary of Effective Date	.45 * AV	RATE * 1.3048
12	10 yr Anniversary of Effective Date	11 yr Anniversary of Effective Date	.50 * AV	RATE * 1.3439
13	11 yr Anniversary of Effective Date	12 yr Anniversary of Effective Date	.55 * AV	RATE * 1.3842
14	12 yr Anniversary of Effective Date	13 yr Anniversary of Effective Date	.60 * AV	RATE * 1.4258
15	13 yr Anniversary of Effective Date	14 yr Anniversary of Effective Date	.65 * AV	RATE * 1.4685
16	14 yr Anniversary of Effective Date	15 yr Anniversary of Effective Date	.70 * AV	RATE * 1.5126
17	15 yr Anniversary of Effective Date	16 yr Anniversary of Effective Date	.75 * AV	RATE * 1.5580
18	16 yr Anniversary of Effective Date	17 yr Anniversary of Effective Date	.80 * AV	RATE * 1.6047
19	17 yr Anniversary of Effective Date	18 yr Anniversary of Effective Date	.85 * AV	RATE * 1.6528
20	18 yr Anniversary of Effective Date	19 yr Anniversary of Effective Date	.90 * AV	
21	19 yr Anniversary of Effective Date	20 yr Anniversary of Effective Date	.95 * AV	
Period	BASE PILOT	IMPROVEMENT PILOT	TOTAL PILOT	
1	100 % of taxes as of year of Closing	100 % of taxes as of year of Closing	BASE PILOT + IMPROVEMENT PILOT	
2	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
3	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
4	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
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	*1.6528			

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 235
MINEOLA, NY 11501
TELEPHONE (516) 571-1945 FAX (516) 571-1076
www.nassauida.org

June 4, 2013

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

Dear County Executive Mangano:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on June 11, 2013 at 5:00 p.m. local time at the offices of the Agency at 1550 Franklin Avenue, Suite 235, Mineola, New York, the Agency will consider whether to approve the application of Farmingdale Development Company, L.P., a limited partnership organized and existing under the laws of the State of Delaware and qualified to do business as a foreign limited partnership in the State of New York (the "Applicant") for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

The Applicant has submitted an application (the "Application") to the Agency requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in a parcel of land located at 120 Secatogue Avenue, Incorporated Village of Farmingdale, Town of Oyster Bay, County of Nassau, New York (Section: 49; Block: 80; Lot: 3) (collectively, the "Land"), (2) the demolition of the existing structures on the Land, (3) the construction of an approximately 46,000 square foot building on the Land, together with

parking and other related improvements to the Land (collectively, the "Building"), and (4) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing for use by the Applicant as a mixed-use facility consisting of approximately 6,000 square feet of commercial space and 39 residential rental apartments, a portion of which shall be affordable units (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, mortgage recording taxes and real property taxes; and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

The Application states that the Applicant is seeking an abatement of real property taxes. However, based upon preliminary negotiations between representatives of the Applicant and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption (the "Property Tax Exemption") with respect to the Project Facility as follows:

(i) for the period commencing on the date of the closing of the Project transaction (the "Closing Date") to and including the day prior to the Effective Date, payments shall be equal to one hundred percent (100%) of the real property taxes and assessments that would be levied annually upon the Project Facility without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project Facility to the Agency; and

(ii) for the period commencing on the Effective Date and continuing for twenty (20) full fiscal tax years thereafter, fixed payments equal to the sum of the BASE PILOT and the IMPROVEMENT PILOT.

Thereafter, and through the end of the term of the lease or installment sale agreement with respect to the Project Facility, the payments would be equal to the real property taxes and assessments that would be payable as if the Project Facility were returned to the tax rolls as taxable 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.

For the purposes of the foregoing, the following terms shall have the following meanings:

(a) "BASE PILOT" shall be deemed to mean the amount of all real property taxes and assessments payable on the Land, such amount to be determined by the Agency based on the most recent assessment data available to the Agency as of the Closing Date, which amount shall be increased by three percent (3%) per year (compounded) after the third (3rd) fiscal tax year. Except as set forth in the immediately preceding sentence, the BASE PILOT shall not increase or decrease during the term of the PILOT Agreement. The BASE PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(b) "IMPROVEMENT PILOT" shall be deemed to mean the product of the following amounts, as determined by the Agency: (i) the Assessed Value of the Improvement, (ii) the PILOT Rate, and (iii) the number 0.01, as phased in and adjusted pursuant to Exhibit A attached hereto. The term "Assessed Value of the Improvement" shall be deemed to mean the product of (y) the fair market value of the Project Facility (less the market value used in the calculation of the BASE PILOT) for real property tax valuation purposes, computed as of the estimated date of completion, as determined by the Agency using a methodology reasonably selected by the Agency, and (z) the level of assessment used by the Nassau County Assessor as of the year in which the Closing Date occurs. The PILOT Rate shall be evidenced by School Tax Bills, Village Tax Bills and General Tax Bills based on the most recent data available to the Agency as of the year in which the Closing Date occurs. The IMPROVEMENT PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(c) "Effective Date" shall be deemed to mean for each affected tax jurisdiction the first day of the first fiscal tax year occurring after the first tax status date occurring after the Closing Date.

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

The reason for the deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to induce the Applicant to undertake the Project and that the PILOT payments would not be lower than the real property taxes that would otherwise apply with respect to the Land as of the Closing Date.

Prior notice of a deviation from the Policy was given by the Agency by letter dated May 10, 2013 with respect to a meeting of the members of the Agency to be held on May 24, 2013. That meeting were adjourned without action on this matter. This letter constitutes notice of the re-scheduled meeting of the Agency to consider the deviation set forth above.

Sincerely,

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY


By: 
Joseph J. Kearney
Executive Director

Exhibit A

Period	Begin	End	Assessed Value of Improvement ("AV") Phase-In	PILOT RATE
1	Closing Date	1 day prior to Effective Date	N/A	N/A
2	Effective Date	1 yr Anniversary of Effective Date	.00 * AV	SUM OF TAX RATES AS OF YEAR OF CLOSING ("RATE") RATE
3	1 yr Anniversary of Effective Date	2 yr Anniversary of Effective Date	.05 * AV	RATE
4	2 yr Anniversary of Effective Date	3 yr Anniversary of Effective Date	.10 * AV	RATE * 1.03
5	3 yr Anniversary of Effective Date	4 yr Anniversary of Effective Date	.15 * AV	RATE * 1.0609
6	4 yr Anniversary of Effective Date	5 yr Anniversary of Effective Date	.20 * AV	RATE * 1.0927
7	5 yr Anniversary of Effective Date	6 yr Anniversary of Effective Date	.25 * AV	RATE * 1.1255
8	6 yr Anniversary of Effective Date	7 yr Anniversary of Effective Date	.30 * AV	RATE * 1.1593
9	7 yr Anniversary of Effective Date	8 yr Anniversary of Effective Date	.35 * AV	RATE * 1.1941
10	8 yr Anniversary of Effective Date	9 yr Anniversary of Effective Date	.40 * AV	RATE * 1.2299
11	9 yr Anniversary of Effective Date	10 yr Anniversary of Effective Date	.45 * AV	RATE * 1.2668
12	10 yr Anniversary of Effective Date	11 yr Anniversary of Effective Date	.50 * AV	RATE * 1.3048
13	11 yr Anniversary of Effective Date	12 yr Anniversary of Effective Date	.55 * AV	RATE * 1.3439
14	12 yr Anniversary of Effective Date	13 yr Anniversary of Effective Date	.60 * AV	RATE * 1.3842
15	13 yr Anniversary of Effective Date	14 yr Anniversary of Effective Date	.65 * AV	RATE * 1.4258
16	14 yr Anniversary of Effective Date	15 yr Anniversary of Effective Date	.70 * AV	RATE * 1.4685
17	15 yr Anniversary of Effective Date	16 yr Anniversary of Effective Date	.75 * AV	RATE * 1.5126
18	16 yr Anniversary of Effective Date	17 yr Anniversary of Effective Date	.80 * AV	RATE * 1.5580
19	17 yr Anniversary of Effective Date	18 yr Anniversary of Effective Date	.85 * AV	RATE * 1.6047
20	18 yr Anniversary of Effective Date	19 yr Anniversary of Effective Date	.90 * AV	RATE * 1.6528
21	19 yr Anniversary of Effective Date	20 yr Anniversary of Effective Date	.95 * AV	
Period	BASE PILOT	IMPROVEMENT PILOT	TOTAL PILOT	
1	100 % of taxes as of year of Closing	100 % of taxes as of year of Closing	BASE PILOT + IMPROVEMENT PILOT	
2	100% of taxes as of year of Closing	AV*PILOT RATE	BASE PILOT + IMPROVEMENT PILOT	
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