

Resolution Addressing Governance Matters

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, Nassau County, New York on June 30, 2015 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
Paul O'Brien, Esq.	Bond/Transaction Counsel

The attached resolution no. 2015-37 was offered by G. Weiss, seconded by C. Fusco:

Resolution No. 2015-37

RESOLUTION OF THE NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY (THE "AGENCY")
ADOPTING CERTAIN POLICIES AND PROCEDURES
AND ADDRESSING OTHER MATTERS
IN CONNECTION WITH GOVERNANCE

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, the Agency wishes to amend and restate and/or adopt certain policies and procedures to ensure continued compliance with current best practices in governance and applicable law, including, without limitation, the Public Authorities Accountability Act of 2005 and the Public Authorities Reform Act of 2009; and

WHEREAS, the Agency wishes to address other matters in connection with the governance of the Agency;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

Section 1. The Agency hereby adopts the amended and restated Transaction Process Guidelines Memorandum annexed hereto in Exhibit A (the "Memo") as part of the Agency's Policy Manual. The Memo hereby replaces any and all transaction process guidelines memoranda heretofore adopted by the Agency.

Section 2. The Agency hereby adopts as a formal policy of the Agency the Statement of Skills, Qualities and Expires Required to Be Effective Members of the Agency annexed hereto in Exhibit A (collectively, the "Statement") as recommended by the Governance Committee. The members direct the Executive Director to deliver a copy of the Statement to the County Executive.

Section 3. In accordance with Resolution No. 2010-07 adopted by the members of the Agency, the Agency authorized General Counsel to hire such other counsel as is deemed necessary from time to time and, pursuant to such authorization, General Counsel has engaged Joseph Conway, Esq., as special counsel to the Agency pursuant to an engagement letter between the Agency and Mr. Conway. The members of the Agency hereby ratify and confirm such appointment of counsel in accordance with the engagement letter.

Section 4. This Resolution shall not preclude the Agency from adopting other or further policies relating to governance and activities as determined from time to time by the Members of the Agency.

Section 5. This Resolution shall take effect immediately.

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

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

The foregoing Resolution was thereupon declared duly adopted.


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

We, the undersigned [~~Assistant~~] Secretary and [~~Vice~~] Chairman 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 June 30, 2015 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 matter therein referred to.

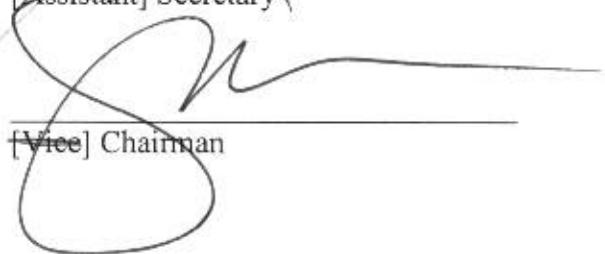
WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said 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 hands and affixed the seal of the Agency this 30th day of June, 2015.



[~~Assistant~~] Secretary



[~~Vice~~] Chairman

(SEAL)

EXHIBIT A

See Attached

Statement of Skills, Qualities and Experiences Required to be Effective Members of the Agency

Background:

In accordance with the Governance Committee Charter of the Nassau County Industrial Development Agency (the "Agency"), the Governance Committee is required to "Develop and maintain a list of the skills, qualities and professional or education experiences required to be effective Agency members to assist the County Executive in identifying qualified candidates" to be appointed as members of the Agency.

Professional Skills, Qualities and Experiences:

The following professional skills, qualities and experiences are not required, but would be considered desirable:

- Experience starting or operating a private-sector business
- Experience with economic development organizations
- Regional planning experience
- Leadership or management experience
- Financial, accounting or legal experience or skills
- Experience in the sports, entertainment, film and/or tourism industries
- Experience in "knowledge-based" industries including, but not limited to, communications, finance, insurance, real estate, business services, health, education, defense, aerospace, energy, homeland security and life sciences

Personal Attributes:

Members of the Agency should possess the following personal attributes:

- Interest and enthusiasm in serving as a member of the Agency
- High level of integrity and a lack of a conflicts or potential conflicts of interest
- Time availability

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Memorandum

To: Agency Staff
From: Members of the Agency
Date: June 30, 2015
Re: Transaction Process Guidelines

The following are the Agency's guidelines for the review and processing of potential project applications from initial contact to closing of the transaction. The following are intended to provide overall guidance but are by no means exhaustive or all inclusive and may not be applicable to all matters:

1. Initial Contact
 - The Executive Director or other designated staff member ("Agency Contact") shall make a written record of the initial contact including time, date and method of contact, name of applicant, address, type of enterprise and applicant point of contact.
 - Agency Contact provides Pre-Application Questionnaire to the potential applicant and schedules a meeting to review the applicant's response.
 - Logs of initial contacts shall be distributed to the members periodically.
2. Meeting with Agency Contact
 - Applicant should bring documentation of and/or be prepared to discuss: (i) location of proposed project, (ii) nature of proposed project, (iii) location of existing facilities of the applicant, (iv)

proposals for job retention/creation, (v) likely community impacts and reaction, and (vi) requested types and amounts of financial assistance.

- If the Agency Contact determines that the proposed project is viable, the applicant is invited to appear before the Transactions Committee and the Executive Director provides the appropriate form of Application for Financial Assistance to the applicant. The Applicant is asked to complete the Application (to the extent possible) and to deliver it to the Agency in draft form. Payment of the Agency's expense deposit is not normally required at this stage.
- General Counsel to the Agency will generally participate in the initial meeting with the applicant.

3. Presentation to Transactions Committee

- Prior to presentation, the Agency Contact provides the pre-application questionnaire response (if applicable), the draft Application for Financial Assistance from the applicant, and any other relevant materials to the Transactions Committee. Incomplete draft Applications will not be considered by the Transactions Committee.
- Transactions Committee shall consist of at least one (1) member of the Agency, the Executive Director and such other members and persons as the members of the Agency shall appoint. The Committee's function shall be advisory in nature and all final decisionmaking shall remain with the members of the Agency.
- Applicant informally presents the proposed project to the Transactions Committee and receives feedback as to the anticipated financial assistance package, either at the end of the proposal or shortly thereafter. Transactions Committee authorizes the Agency Contact to further negotiate the terms of the financial assistance package and to initiate the SEQR and public notice(s) process upon receipt of a completed and executed Application for Financial Assistance.
- Agency Contact, at the direction of the Transactions Committee, advises the Applicant that the Agency will authorize the Applicant to file the completed and executed Application for processing if made within 30 days following the date of the presentation.
- Agency Contact provides a form of Preliminary Agreement to the Applicant which may be signed at the conclusion of the

Transactions Committee meeting but shall be signed in no event later than the submission of the formal Application by the Applicant. The Preliminary Agreement constitutes an agreement by the Applicant to pay or reimburse the Agency for its expenses in connection with the processing, review and evaluation of the Application.

4. Application to the Agency

- Applicant submits completed and executed Application for Financial Assistance, including Environmental Assessment Form and other required exhibits. Incomplete Applications will not be considered by the Agency.
- Applicant deposits with the Agency: (i) \$1,000 application fee, (ii) \$3,500 expense deposit for bond counsel fees, (iii) \$2,500 expense deposit for cost/benefit analysis, and (iv) \$500 expense deposit for real property tax valuation analysis. In the event that the transaction does not close, the Agency shall use the expense deposits to defray the costs of the applicable professionals and return any balance to the applicant. In the event that the transaction closes, such expense deposits shall be credited at closing against the final invoices delivered by the applicable professionals.
- Agency staff obtains background check releases from the Applicant, its affiliates and principals as deemed appropriate by Agency staff, and orders or causes to be ordered appropriate searches and background checks, including, without limitation, bankruptcy, tax lien, judgment and OFAC searches as applicable.
- Agency staff reviews financial statements and data (e.g., past earnings and projected cash flows, as applicable) received from the Applicant to assess the strength of the Applicant.
- Bond Counsel reviews the Application and provides due diligence memo (if required).

5. Public Hearing

- Agency Contact schedules and conducts public hearing (if required).
- Agency Contact is authorized to hold such public hearing on behalf of the Agency and is directed to mail notices to the affected tax

jurisdictions and publish public notices in a newspaper of general circulation in the County of Nassau, all as required by applicable law.

- Agency Contact prepares report of public hearing and delivers report to the members. Alternatively, the Agency Contact is authorized to have a stenographer take minutes of the public hearing.

6. Financial Assistance "Deviation Notice" (if required)

- Agency Contact is authorized to issue "deviation notice" consistent with guidance from the Transactions Committee.
- Agency Contact provides acknowledgment of and, if desired, responds to all correspondence received from affected tax jurisdictions.

7. SEQR Review Process

- Initiated by Bond Counsel upon receipt of Environmental Assessment Form from applicant.
- Additional documentation supplied as necessary.
- Bond Counsel drafts appropriate findings/resolution.

8. Cost-Benefit Analysis/Real Property Tax Valuation Analysis

- Ordered upon receipt of the Application and shall be distributed to all members of the Agency.
- The Agency will perform a cost/benefit analysis with respect to each proposed project. Generally, the Agency will obtain such analysis from an independent, third-party consultant engaged by the Agency, unless the size or type of the proposed project does not warrant the expense of such a third-party analysis, in which event the Agency's staff shall perform the cost/benefit analysis for the Agency.
- In the sole discretion of the Agency, a cost/benefit analysis will not be obtained from an independent, third-party consultant if such analysis is cost prohibitive given the contemplated financial assistance or is otherwise not warranted or beneficial under the particular circumstances.

9. Bond Counsel prepares transaction documents

- Bond Counsel/General Counsel obtains "public approval" of tax-exempt bonds from County Executive (if applicable).
- If required for the transaction, the Executive Director assigns title work to a title company from the Agency's then-applicable approved list of title companies (the "Title Companies") and Bond Counsel contacts the Title Company or the Applicant to order the title report; provided, however, that the cost thereof shall be borne by the Applicant. Assignments to the Title Companies will be made on a sequential basis in a manner designed to give full opportunity to all Title Companies to provide the required services; provided, however, that the Executive Director shall have the authority to assign title for a project to a particular Title Company in his discretion if the circumstances warrant. Circumstances that may warrant assignment of a matter to a particular Title Company may include, but are not limited to, complexity of the transaction, special title issues and prior experience/involvement of the Title Company with respect to the subject property. In addition, the Executive Director shall have discretion to allow the Applicant to select a title company if circumstances warrant. In any instance that a title company is selected other than on a sequential basis, the Executive Director shall first document such selection in a memorandum explaining the reasons therefor, which memorandum shall be included in the project file and a copy of which shall be provided to the Agency's Finance Committee.
- Bond Counsel/ Administrative Director obtains volume cap from State (if required).
- Bond Counsel attempts to obtain bond issuance charge and Commissioner of Health charge waivers (no longer likely to be granted).
- Bond Counsel/General Counsel forwards draft PILOT documents to County Attorney.
- Bond Counsel/General Counsel/Executive Director negotiate and revise applicable documents.

10. Inducement/ Approving/ Bond Resolution

- The Executive Director prepares, prior to the Agency meeting, the requisite internal forms and summaries, including, without limitation, a Staff Report (in substantially the form attached hereto

as Exhibit A), which should be delivered to the members of the Agency at least one (1) week in advance of the Agency meeting.

- Agency Contact prepares notice of Agency meeting and agenda for Agency meeting; Agency contact posts notice as required by Open Meetings Law, posts notice on Agency website and e-mails notice to major television, radio and newspaper outlets as well as local community papers (to the extent applicable).
- Includes approval of "deviation" from uniform tax exemption policy (if applicable).
- Closing documents may not be in final form, but all major issues should be resolved.

11. Closing

- General Counsel and Bond Counsel deliver requisite opinions.
- The Applicant's counsel shall deliver customary opinions in connection with the transaction, including, but not limited to, zoning and land use (where applicable) and compliance with applicable law.
- Bond Counsel delivers 412-a notice to County Assessor and tax jurisdictions.
- Bond Counsel delivers ST-60 to New York State Department of Taxation and Finance.
- Bond Counsel makes applicable filings with the Internal Revenue Service.

** The members of the Agency may waive or deviate from any of these procedures in their discretion if the circumstances warrant such waiver or deviation. **

EXHIBIT A

STAFF REPORT ON APPLICATION

Date: _____

PROJECT: _____

I. APPLICANT INFORMATION

Applicant: _____

Direct
Parents: _____

Principals: _____

II. PROJECT DESCRIPTION

Project: The Project consists of:

_____.

See Appendix A for a location map and photograph of each site comprising the Project Facility.

Timeline: Renovation/Construction Start: Within _____.

Renovation/Construction Completion: _____ (the
“Scheduled Completion Date”).

Financing: _____.

III. PROJECT TEAM

Attorneys: _____.

Engineer: _____.

Architect: _____.

General Contractor: _____.

IV. DATA SUMMARY

Job Covenant: The Applicant will _____.

Investment: Total Budget -- \$
Land/Building Acquisition -- \$
Construction/Renovation -- \$
Site Work - \$
Infrastructure Work - \$
Furniture/Fixture/Equipment Purchase - \$
Soft Costs -- \$

Requested Benefits: Mortgage Recording Tax - \$
Sales/Use Tax - \$ (estimated maximum)
Interest savings - \$
Real Property Tax -

Property Tax Comparison: Estimated otherwise applicable taxes -- \$

Total Estimated PILOT Payments:

Total Estimated Taxes:

Net Benefit to Company: \$

In Year __, the Project Facility would revert to taxable status and the Applicant is responsible to pay property taxes based on the fully taxable assessed value of the Project Facility and then effective tax rates.

Pursuant to PILOT Agreement, the Applicant cannot change its PILOT obligations during the PILOT period by challenging its assessment.

V. ESTIMATED ECONOMIC IMPACT ANALYSIS

See Camoin Associates economic impact report attached as Appendix B. The figures and job numbers in this Section V are all “net new” per the Camoin report.

Projected Direct & Indirect Permanent Jobs Retained & Created:	
Projected Annual Earnings from Direct & Indirect Permanent Jobs Retained & Created:	

Projected Annual Spending from Permanent Jobs Retained & Created:	
Projected Annual Local Sales Tax Revenue from Created & Retained Annual Spending:	
Direct & Indirect Construction-Phase Jobs (job-years):	
Construct-Phase Earnings:	
Construct-Phase Spending:	
Local Sales Tax Revenue from Construction-Phase Spending	
Projected Economic Benefit (from Projected Created & Retained Permanent Jobs and Construction-Phase Spending) (construction period and ___ year permanent period)	
Projected Net Fiscal Tax Benefit (\$ ___ per annum sales tax revenue for 5 years (i.e., projected period of new permanent jobs) from operations, plus \$ ___ sales tax revenue for construction-phase, less \$ ___ property tax revenue lost over ___ years)	

VI. ENVIRONMENTAL IMPACT ANALYSIS

Based on the Environmental Assessment Form ("EAF") completed by the Applicant and the analysis of the EAF undertaken by the Agency's transaction counsel, the Agency has concluded that the Project is _____ under SEQRA and that the Project will not have a significant adverse impact on the environment .

The Agency will take only a leasehold interest in the Project Facility and will require indemnification with respect to environmental matters from the Applicant.

VII. COMMUNITY ANALYSIS

Public Hearing: The Director of Business Development conducted a public hearing on _____ at _____. The Minutes of the Public Hearing are attached as Appendix C.

New Infrastructure Required: _____.

Impact on Locality: _____.

Retail Impact: _____.

Added Revenue: _____.

Money Spent in Community: _____.

Unique Needs: _____.

VIII. PROJECT / APPLICANT ANALYSIS

Project Team: The Applicant's project team is led by _____. Staff has determined that _____ and the other principals of the Applicant have more than adequate experience in operating _____.

Financial Analysis: The Applicant submitted its _____ financial statements and Staff is of the opinion that the Applicant is adequately capitalized to comply with its responsibilities under the Agency's documents.

Prior Relationship with IDA: None identified.

Conflicts: None identified.

Legal/Regulatory Issues: _____.

Background Check: Staff obtained credit checks from Castlebranch with respect to the Applicant and the Principals. No substantive negative issues were noted by the Chief Financial Officer.

IX. RECOMMENDATION

Staff strongly recommends that the members of the Agency approve the proposed Project for the following reasons: