

Nassau Events Center 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 July 28, 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
Nicholas Terzulli	Director of Business Development
Edward Ambrosino, Esq.	General Counsel
Paul O'Brien, Esq.	Bond/Transaction Counsel

The attached resolution no. 2015-40 was offered by G. Weiss, seconded by J.

Coumatos:

Resolution No. 2015-40

RESOLUTION AUTHORIZING A DEVIATION FROM THE UNIFORM
TAX EXEMPTION POLICY OF THE NASSAU COUNTY
INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT
TO A PROJECT FOR NASSAU EVENTS CENTER, LLC

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, NASSAU EVENTS CENTER, LLC, a limited liability company organized and existing under the laws of the State of Delaware and duly qualified to do business in the State of New York as a foreign limited liability company (the "Applicant"), has 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 an approximately 77 acre parcel of land located at 1255 Hempstead Turnpike, Uniondale, Town of Hempstead, Nassau County, New York (Section: 44; Block: F; Lots: 403 and 351) (the "Land"), (2) the renovation, alteration and improvement of the existing Nassau Veterans Memorial Coliseum (the "Building") located on the Land, together with related improvements to the Land, and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the "Equipment"), all of the foregoing for use by the Applicant as an approximately 13,000 seat state-of-the-art sports and entertainment complex (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 in the form of potential exemptions or partial exemptions from real property taxes and assessments, mortgage recording taxes

and sales and use taxes (collectively, the “Financial Assistance”); 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, (A) the Executive Director of the Agency caused a letter dated July 14, 2015 (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 July 28, 2015 (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 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 comments and correspondence received at or prior to the IDA Meeting from the affected tax jurisdictions, the Agency hereby approves the proposed deviation from the Tax Exemption Policy as described in the Pilot Deviation Notice Letter (a copy of which is attached hereto as Exhibit A) because the proposed deviation is necessary to induce the Applicant to undertake the Project and that the granting of the Financial Assistance is a condition to the performance of the Applicant’s obligations under the Ground Lease (as defined in the PILOT Deviation Notice Letter.

Section 3. The Chairman, Vice Chairman, Administrative Director and Executive 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.

ADOPTED: July 28, 2015

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.

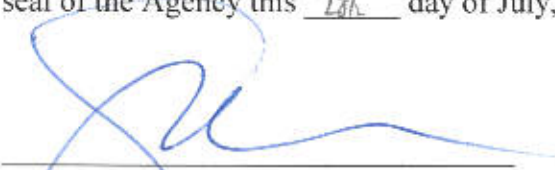
STATE OF NEW YORK)
) SS.:
COUNTY OF NASSAU)

We, the undersigned [~~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 July 28, 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 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 28th day of July, 2015.



[~~Vice~~] Chairman



[~~Assistant~~] 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) 571-1075
www.nassauidz.org

July 14, 2015

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 Edward P. Mangano:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on July 28, 2015 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 the Applicant (as hereinafter defined), 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.

NASSAU EVENTS CENTER, LLC, a limited liability company organized and existing under the laws of the State of Delaware and duly qualified to do business in the State of New York as a foreign limited liability company (the "Applicant"), has 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 an approximately 77 acre parcel of land located at 1255 Hempstead Turnpike, Uniondale, Town of Hempstead, Nassau County, New York (Section: 44; Block: F; Lots: 403 and 351) (the "Land"), (2) the renovation, alteration and improvement of the existing Nassau Veterans Memorial Coliseum (the "Building") located on the Land, together with related improvements to the Land, and (3) the acquisition of certain furniture, fixtures, machinery and

equipment necessary for the completion thereof (the "Equipment"), all of the foregoing for use by the Applicant as an approximately 13,000 seat state-of-the-art sports and entertainment complex (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 in the form of potential exemptions or partial exemptions from real property taxes and assessments, mortgage recording taxes and sales and use taxes (collectively, the "Financial Assistance"); 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.

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 for a term of approximately thirty-four (34) fiscal tax years (the "Initial Term") with respect to the Project Facility, pursuant to which the Applicant will be required to make no payments in lieu of real property taxes and assessments with respect to the Project Facility pursuant to a payment-in-lieu-of-taxes agreement between the Agency and the Applicant (the "Initial PILOT Agreement"). The Initial Term is intended to be coterminous with the initial term of the Lease for the Nassau County Veterans Memorial Coliseum Site between the County of Nassau and the Applicant (as amended, the "Ground Lease").

If the Applicant timely and properly satisfies certain performance standards related to the Project Facility as set forth in the transaction documents between the Applicant and the Agency (collectively, the "Project Documents"), including, without limitation, the Applicant's obligation to maintain and continuously operate the Project Facility and its obligation to maintain certain employment levels at the Project Facility, the Applicant shall have the right to extend the term of the real property tax exemption for a period of up to three (3) additional terms of five (5) fiscal tax years each with respect to the Project Facility (each, an "Extension Term" and together with the Initial Term, the "PILOT Term") during which the Applicant would continue to be required to make no payments in lieu of real property taxes and assessments with respect to the Project Facility. The real property tax exemption provided during the Initial Term and, as applicable, the Extension Term(s) is referred to herein as the "Property Tax Exemption."

The Project Documents would expressly provide that, during the PILOT Term, the Applicant shall not be permitted to (i) construct any new building, structure or improvement on the Land (a "New Building"), or (ii) undertake any renovation, improvement or construction with respect to the Building other than the renovations, alterations and improvements contemplated by the Ground Lease. If the Applicant proposes to construct a New Building during the PILOT Term, the Applicant would be required to obtain the prior written consent of the Agency, which consent would be subject to compliance with applicable law and the satisfaction of certain conditions and requirements. Such conditions and requirements would include, without limitation, the requirement that the Applicant enter into an amendment to the Initial PILOT Agreement or a separate payment in lieu of taxes agreement pursuant to which the Applicant would make payments in lieu of real property taxes to the Agency with respect to the New

Building (including any associated land) in such amounts and for such periods as would be agreed upon between the Applicant and the Agency (the "Additional Property Tax Exemption"). Prior to granting the Additional Property Tax Exemption, the Agency would issue such notices, hold such public hearings and obtain such approvals as may be required by applicable law at that time.

After the end of the PILOT Term, and through the end of the term of the lease or installment sale agreement entered into by the Applicant and the Agency with respect to the Project Facility, PILOT 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.

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 granting of the Financial Assistance (including the Property Tax Exemption) is a condition to the performance of the Applicant's obligations under the Ground Lease.

Sincerely,

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____


Joseph J. Kearney
Executive Director

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

July 14, 2015

CERTIFIED MAIL, RETURN
RECEIPT REQUESTED and
FIRST CLASS MAIL

Supervisor Kate Murray
Town of Hempstead
One Washington Street
Hempstead, NY 11550

NOTICE OF PROPOSED DEVIATION FROM
UNIFORM TAX EXEMPTION POLICY

Dear Supervisor Kate Murray:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on July 28, 2015 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 the Applicant (as hereinafter defined), 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.

NASSAU EVENTS CENTER, LLC, a limited liability company organized and existing under the laws of the State of Delaware and duly qualified to do business in the State of New York as a foreign limited liability company (the "Applicant"), has 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 an approximately 77 acre parcel of land located at 1255 Hempstead Turnpike, Uniondale, Town of Hempstead, Nassau County, New York (Section: 44; Block: F; Lots: 403 and 351) (the "Land"), (2) the renovation, alteration and improvement of the existing Nassau Veterans Memorial Coliseum (the "Building") located on the Land, together with related improvements to the Land, and (3) the acquisition of certain furniture, fixtures, machinery and

complex (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 in the form of potential exemptions or partial exemptions from real property taxes and assessments, mortgage recording taxes and sales and use taxes (collectively, the "Financial Assistance"); 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.

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 for a term of approximately thirty-four (34) fiscal tax years (the "Initial Term") with respect to the Project Facility, pursuant to which the Applicant will be required to make no payments in lieu of real property taxes and assessments with respect to the Project Facility pursuant to a payment-in-lieu-of-taxes agreement between the Agency and the Applicant (the "Initial PILOT Agreement"). The Initial Term is intended to be coterminous with the initial term of the Lease for the Nassau County Veterans Memorial Coliseum Site between the County of Nassau and the Applicant (as amended, the "Ground Lease").

If the Applicant timely and properly satisfies certain performance standards related to the Project Facility as set forth in the transaction documents between the Applicant and the Agency (collectively, the "Project Documents"), including, without limitation, the Applicant's obligation to maintain and continuously operate the Project Facility and its obligation to maintain certain employment levels at the Project Facility, the Applicant shall have the right to extend the term of the real property tax exemption for a period of up to three (3) additional terms of five (5) fiscal tax years each with respect to the Project Facility (each, an "Extension Term" and together with the Initial Term, the "PILOT Term") during which the Applicant would continue to be required to make no payments in lieu of real property taxes and assessments with respect to the Project Facility. The real property tax exemption provided during the Initial Term and, as applicable, the Extension Term(s) is referred to herein as the "Property Tax Exemption."

The Project Documents would expressly provide that, during the PILOT Term, the Applicant shall not be permitted to (i) construct any new building, structure or improvement on the Land (a "New Building"), or (ii) undertake any renovation, improvement or construction with respect to the Building other than the renovations, alterations and improvements contemplated by the Ground Lease. If the Applicant proposes to construct a New Building during the PILOT Term, the Applicant would be required to obtain the prior written consent of the Agency, which consent would be subject to compliance with applicable law and the satisfaction of certain conditions and requirements. Such conditions and requirements would include, without limitation, the requirement that the Applicant enter into an amendment to the Initial PILOT Agreement or a separate payment in lieu of taxes agreement pursuant to which the Applicant would make payments in lieu of real property taxes to the Agency with respect to the New Building (including any associated land) in such amounts and for such periods as would be agreed upon between the Applicant and the Agency (the "Additional Property Tax Exemption"). Prior to

granting the Additional Property Tax Exemption, the Agency would issue such notices, hold such public hearings and obtain such approvals as may be required by applicable law at that time.

After the end of the PILOT Term, and through the end of the term of the lease or installment sale agreement entered into by the Applicant and the Agency with respect to the Project Facility, PILOT 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.

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 granting of the Financial Assistance (including the Property Tax Exemption) is a condition to the performance of the Applicant's obligations under the Ground Lease.

Sincerely,

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____


Joseph J. Kearney
Executive Director

EDWARD P. MANGANO
COUNTY EXECUTIVE



JOSEPH J. KEARNEY
EXECUTIVE DIRECTOR

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
THEODORE ROOSEVELT COUNTY EXECUTIVE & LEGISLATIVE BLDG.
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July 14, 2015

CERTIFIED MAIL, RETURN
RECEIPT REQUESTED and
FIRST CLASS MAIL

Superintendent William K. Lloyd
Uniondale Union Free School District
933 Goodrich Street
Uniondale, NY 11550

NOTICE OF PROPOSED DEVIATION FROM
UNIFORM TAX EXEMPTION POLICY

Dear Superintendent William K. Lloyd:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on July 28, 2015 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 the Applicant (as hereinafter defined), 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.

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improvements to the Land, and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the "Equipment"), all of the foregoing for use by the Applicant as an approximately 13,000 seat state-of-the-art sports and entertainment complex (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 in the form of potential exemptions or partial exemptions from real property taxes and assessments, mortgage recording taxes and sales and use taxes (collectively, the "Financial Assistance"); 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.

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 for a term of approximately thirty-four (34) fiscal tax years (the "Initial Term") with respect to the Project Facility, pursuant to which the Applicant will be required to make no payments in lieu of real property taxes and assessments with respect to the Project Facility pursuant to a payment-in-lieu-of-taxes agreement between the Agency and the Applicant (the "Initial PILOT Agreement"). The Initial Term is intended to be coterminous with the initial term of the Lease for the Nassau County Veterans Memorial Coliseum Site between the County of Nassau and the Applicant (as amended, the "Ground Lease").

If the Applicant timely and properly satisfies certain performance standards related to the Project Facility as set forth in the transaction documents between the Applicant and the Agency (collectively, the "Project Documents"), including, without limitation, the Applicant's obligation to maintain and continuously operate the Project Facility and its obligation to maintain certain employment levels at the Project Facility, the Applicant shall have the right to extend the term of the real property tax exemption for a period of up to three (3) additional terms of five (5) fiscal tax years each with respect to the Project Facility (each, an "Extension Term" and together with the Initial Term, the "PILOT Term") during which the Applicant would continue to be required to make no payments in lieu of real property taxes and assessments with respect to the Project Facility. The real property tax exemption provided during the Initial Term and, as applicable, the Extension Term(s) is referred to herein as the "Property Tax Exemption."

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would make payments in lieu of real property taxes to the Agency with respect to the New Building (including any associated land) in such amounts and for such periods as would be agreed upon between the Applicant and the Agency (the "Additional Property Tax Exemption"). Prior to granting the Additional Property Tax Exemption, the Agency would issue such notices, hold such public hearings and obtain such approvals as may be required by applicable law at that time.

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Sincerely,

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 

Joseph J. Kearney
Executive Director