

Luxottica Preliminary Inducement Resolution

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the Theodore Roosevelt Executive & Legislative Building, Ceremonial Chambers, 1550 Franklin Avenue, Mineola, Nassau County, New York on June 19, 2018 at 6:30 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:

Richard Kessel	Chairman
Lewis M. Warren	Vice Chairman
Anthony Simon	2nd Vice Chairman
Timothy Williams	Secretary
Chris Fusco	Asst. Secretary
John Coumatos	Asst. Treasurer

NOT PRESENT:

Amy Flores	Treasurer
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THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Joseph J. Kearney	Executive Director
Joseph Foarile	Chief Financial Officer
Colleen Pereira	Administrative Director
Paul O'Brien, Esq.	Bond/Transaction Counsel

The attached resolution no. 2018-30 was offered by L. Warren, seconded by A. Simon:

RESOLUTION TAKING PRELIMINARY ACTION TOWARD THE
ACQUISITION AND STRAIGHT LEASING OF A CERTAIN PROJECT FOR LUXOTTICA
U.S. HOLDINGS CORP. (THE "APPLICANT") AND AUTHORIZING THE
EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT WITH THE
APPLICANT WITH RESPECT TO SUCH TRANSACTION

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, Luxottica U.S. Holdings Corp., a corporation duly organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign corporation (the "Applicant"), previously presented an application for financial assistance (the "2012 Application") requesting that the Agency undertake a project (the "2012 Project") consisting of the following: (A)(1) the acquisition of an interest in a leasehold interest in an approximately 30,065 square foot portion (the "2012 Premises") of an approximately 122,715 square foot building (the "Building") on a certain parcel of land located at 12 Harbor Park Drive, Port Washington, Town of North Hempstead, County of Nassau, New York (Section: 6; Block: 058; Lot: 103) (the "Land"), (2) the renovation of the 2012 Premises, and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "2012 Equipment"), all of the foregoing for use by the Applicant and its affiliates as their East Coast headquarters (the 2012 Premises and the 2012 Equipment being referred to herein, collectively, as the "2012 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 real property taxes and sales and use taxes (the "2012 Financial Assistance"); and (C) the lease (with an obligation to purchase), license or sale of the 2012 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 Applicant has presented an application for additional financial assistance (the "2018 Application") requesting that the Agency undertake a project (the "2018 Project" and

together with the 2012 Project, collectively, the "Project") consisting of the following: (A)(1) the acquisition of an interest in a leasehold interest in an additional approximately 9,000 square foot portion (the "2018 Premises" and together with the 2012 Premises, collectively, the "Premises") of the Building, (2) the renovation of the 2018 Premises, and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the "2018 Equipment" and together with the 2012 Equipment, collectively, the "Equipment"), all of the foregoing for use by the Applicant and its affiliates as additional space for their East Coast headquarters (the 2018 Premises and the 2018 Equipment being referred to herein, collectively, as the "2018 Project Facility"; the 2012 Project Facility and the 2018 Project Facility are referred to herein, collectively, as the "Project Facility"); (B) the granting of certain additional "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the Project Facility, including potential exemptions or partial exemptions from real property taxes and sales and use taxes (the "2018 Financial Assistance" and together with the 2012 Financial Assistance, collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase), license or sale of the 2018 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 Agency has given due consideration to the 2018 Application and to the representations made by the Applicant therein, in certain supplemental documents and at this meeting, including, without limitation, representations of the Applicant that: (A) the granting by the Agency of the 2018 Financial Assistance with respect to the Project Facility will be an inducement to the Applicant to undertake the 2018 Project in Nassau County, New York; (B) the completion of the 2018 Project and the leasing and operation of the Project Facility will not result in the removal of a facility or plant of the Applicant from one area of the State of New York (the "State") to another area of the State or in the abandonment of one or more plants or facilities of the Applicant located in the State but outside Nassau County, New York; (C) the 2018 Project will serve the public purposes of the Act by preserving permanent, private sector jobs and increasing the overall number of permanent, private sector jobs in the State; and (D) the granting of the 2018 Financial Assistance by the Agency will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Nassau County, New York, and improve their standard of living, and prevent unemployment and economic deterioration, and thereby serve the public purposes of the Act; and

WHEREAS, a portion of the 2018 Financial Assistance consisting of an exemption from real property taxes, if granted, may represent a deviation from the Agency's uniform tax exemption policy with respect to the making of payments in lieu of real property taxes; and

WHEREAS, any approval of the 2018 Project is contingent upon, among other things, a final determination by the members of the Agency to proceed with the 2018 Project following determinations by the Agency that: (A) the public hearing and notice requirements and other procedural requirements contained in the Act relating to the 2018 Project and the 2018 Financial Assistance have been satisfied; and (B) the undertaking of the 2018 Project by the Agency and the granting of the 2018 Financial Assistance are and will be in compliance with all other applicable requirements of the Act, Article 8 of the Environmental Conservation Law (the "SEQR Act") and the regulations adopted pursuant thereto (the "Regulations" and together with the SEQR Act, collectively, "SEQRA"), and all other statutes, codes, laws, rules and regulations

of any governmental authority having jurisdiction over the 2018 Project or the Project Facility (collectively, the “Applicable Laws”); and

WHEREAS, the Agency desires to encourage the Applicant to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Nassau County, New York, and to prevent unemployment and economic deterioration, by undertaking the 2018 Project in Nassau County, New York; and

WHEREAS, a preliminary agreement (the “Preliminary Agreement”) relative to the proposed undertaking of the 2018 Project by the Agency has been or will be delivered to the Applicant for execution;

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

Section 1. The Agency hereby authorizes the Executive Director of the Agency (and hereby ratifies any actions taken to date by the Executive Director): (A) to establish a time, date and place for a public hearing (the “Public Hearing”) of the Agency to hear all persons interested in the location and nature of the 2018 Project and the 2018 Financial Assistance being contemplated by the Agency with respect to the 2018 Project, said Public Hearing to be held in the city, town or village within which the Project Facility is or will be located; (B) to cause notice of said Public Hearing to be given to the public by publishing a notice of said Public Hearing in a newspaper of general circulation available to residents of the governmental units where the Project Facility is or is to be located, such notice to comply with the requirements of and to be published in accordance with the requirements of the Act; (C) to cause notice of said Public Hearing, pursuant to the Act, to be given to the chief executive officer of the County of Nassau, New York, and of each city, town, village, school district and other affected tax jurisdiction in which the Project Facility is or is to be located; (D) to establish a time, date and place for a meeting of the Agency (the “IDA Meeting”) to consider whether to approve a proposed deviation from the Agency’s uniform tax exemption policy in accordance with the Act if the Executive Director determines that the portion of the 2018 Financial Assistance consisting of an exemption from real property taxes constitutes a deviation from such policy; (E) to cause notice of any such proposed deviation from the Agency’s uniform tax exemption policy and of the IDA Meeting to be given to the chief executive officer of each affected tax jurisdiction in accordance with the Act; (F) to conduct the Public Hearing or to authorize a hearing officer to conduct the Public Hearing; (G) to cause a report of the Public Hearing fairly summarizing the views presented at said Public Hearing to be promptly prepared and cause copies of said report to be made available to the members of the Agency; (H) to hold the IDA Meeting and to review any correspondence received from the affected tax jurisdictions regarding the proposed deviation from the Agency’s uniform tax exemption policy, if applicable; and (I) to otherwise comply with all other procedural and other requirements imposed on the Agency pursuant to Applicable Laws with respect to the 2018 Project and/or the 2018 Financial Assistance.

Section 2. The Applicant is hereby authorized to conduct such environmental, engineering, economic, feasibility and other studies and preliminary planning and budgetary processes necessary or convenient to enable the Agency to make its determination whether to proceed with the 2018 Project and to grant the 2018 Financial Assistance; provided, however,

that such authorization shall not entitle or permit the Applicant to commence the acquisition, renovation, installation or equipping of the Project Facility on behalf of the Agency unless and until the Agency shall determine that all requirements of Applicable Laws have been fulfilled. The officers, agents and employees of the Agency are hereby directed to proceed to do such things or perform such acts as may allow the Agency to proceed to its final consideration of the 2018 Project. This Resolution constitutes an authorization to conduct concurrent environmental, engineering, economic, feasibility and other studies and preliminary planning with respect to the 2018 Project within the meaning of Section 617.3(c)(2) of the Regulations and a determination of compliance with technical requirements within the meaning of Section 617.3(c)(2) of the Regulations and does not constitute, and shall not be deemed to constitute, either an approval by the Agency of the Project for the purposes of the Act or SEQRA or a commitment by the Agency to approve the 2018 Project or to grant the 2018 Financial Assistance.

Section 3. Any expenses incurred by the Agency with respect to the 2018 Project and/or the financing thereof shall be paid by the Applicant as set forth in the Preliminary Agreement.

Section 4. The findings of the Agency set forth herein are expressly conditioned upon full compliance of the Applicant, the 2018 Project and the Project Facility with all Applicable Laws, and the Applicant shall be required to provide evidence of same satisfactory to the Agency prior to the granting of any Financial Assistance.

Section 5. If, following full compliance with all Applicable Laws, the Agency adopts a future resolution (the "Future Resolution") determining to proceed with the 2018 Project and to grant the 2018 Financial Assistance, or any portion thereof, with respect to the Project Facility and the Applicant complies with all conditions set forth in the Preliminary Agreement and the Future Resolution, then the Agency will (A) acquire an interest in the 2018 Project Facility pursuant to a deed, lease agreement, assignment of lease, license, bill of sale and/or other documentation to be negotiated between the Agency and the Applicant (the "Acquisition Agreement"); (B) renovate, install and equip the 2018 Premises and acquire and install the 2018 Equipment; (C) lease (with the obligation to purchase), license or sell the Project Facility to the Applicant pursuant to a lease agreement or an amended lease agreement (the "Project Agreement") to be negotiated between the Agency and the Applicant; and (D) provide the 2018 Financial Assistance with respect to the 2018 Project, all as contemplated by the Preliminary Agreement and the Future Resolution.

Section 6. The form, terms and substance of the Preliminary Agreement (in substantially the form utilized by the Agency with respect to prior transactions) are in all respects ratified, confirmed and approved, and all actions taken by the Chairman, Vice Chairman, Executive Director or Administrative Director of the Agency in connection therewith, including, without limitation, the execution and delivery of said Preliminary Agreement in the name and on behalf of the Agency, are hereby ratified, confirmed and approved.

Section 7. The officers, agents and employees of the Agency are hereby authorized, empowered and directed, acting individually or jointly, to proceed with the undertakings provided for herein on the part of the Agency, and are further authorized to do all such acts and

things and to execute all such documents as may be necessary or convenient to carry out and comply with the terms and provisions of the Preliminary Agreement.

Section 8. The law firm of Phillips Lytle LLP, Garden City, New York, is hereby appointed Special Counsel to the Agency with respect to all matters in connection with the 2018 Project. Special Counsel for the Agency is hereby authorized, at the expense of the Applicant, to work with counsel to the Agency, the Applicant, counsel to the Applicant, and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution.

Section 9. The Chairman, Vice Chairman, Executive Director and Administrative Director of the Agency are each hereby authorized and directed 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.

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

Richard Kessel	VOTING	Aye
Lewis M. Warren	VOTING	Aye
Anthony Simon	VOTING	Aye
Timothy Williams	VOTING	Aye
Chris Fusco	VOTING	Aye
Amy Flores	EXCUSED	
John Coumatos	VOTING	Aye

The foregoing Resolution was thereupon declared duly adopted.

