### WDP Management, Inc. - PILOT Deviation 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 December 15, 2022 at 6:45 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 Chair

John Coumatos Asst. Treasurer

Reginald A. Spinello William H. Rockensies

Victor LaGreca

#### ABSENT:

Timothy Williams

Secretary

Raymond Pinto

### THE FOLLOWING PERSONS WERE ALSO PRESENT:

Sheldon L. Shrenkel Chief Executive Officer/Executive Director

Anne LaMorte
Colleen Pereira
Carlene Wynter
Nicole Gil
Chief Financial Officer
Administrative Director
Compliance Assistant
Administrative Assistant

Judge Anthony Marano Agency Counsel Thomas D. Glascock, Esq. Agency Counsel

Andrew D. Komaromi, Esq. Bond/Transactional Counsel Milan K. Tyler, Esq. Bond/Transactional Counsel Paul V. O'Brien, Esq. Bond/Transactional Counsel

### **EXCUSED:**

Catherine Fee Director of Business Development/Chief

Marketing Officer

The attached resolution No. 2022-101 was offered by Victor LaGreca, seconded by William H. Rockensies.

### Resolution No. 2022 - 101

# RESOLUTION AUTHORIZING A DEVIATION FROM THE UNIFORM TAX EXEMPTION POLICY OF THE NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT TO A PROJECT FOR WDP Management, Inc.

WHEREAS, the Nassau County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 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, ORNSTEIN FETNER DEVELOPMENT LLC, a limited liability company organized and existing under the laws of the State of New York, and 249 DREXEL ASSOCIATES LLC, a limited liability company organized and existing under the laws of the State of New York, together with entities formed or to be formed on its behalf (collectively, the "Original Applicant") has presented an application for financial assistance (the "Application") to the Agency, which Application requests that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of a 0.35 acre parcel of land located at 249 Drexel Avenue, Village of Westbury, Town of North Hempstead, Nassau County, New York (Section: 10; Block: 187; Lot: 919) (the "Land"), (2) the construction of an approximately 23,025 square foot, mixed use building (collectively, the "Building"), on the Land, together with related improvements to the Land, (3) the acquisition of certain furniture, fixtures, machinery and equipment (the "Equipment") necessary for the completion thereof (collectively, the "Project Facility"), all of the foregoing for use by the Original Applicant as an eighteen (18) residential rental housing facility, including three (3) affordable residential rental apartments, and one (1) retail unit on the ground floor; (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, 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 Original Applicant or such other entity as may be designated by the Original Applicant and agreed upon by the Agency; and

WHEREAS, the Agency by Resolution No. 2022-4, duly adopted on March 3, 2022, decided to proceed under the provisions of the Act to acquire, construct, equip and lease the Project Facility and enter into a lease agreement; and

WHEREAS, the Agency by Resolution No. 2022-39, duly adopted on May 26, 2022 (the "Original Approval Resolution"), approved the application of the Original Applicant and authorized the Agency to enter a lease agreement and such other transaction documents necessary to construct, equip and lease the Project Facility; and

WHEREAS, the Original Applicant did not proceed with the Project and by letter and application, dated November 7, 2022, the Original Applicant and WDP Management, Inc., together with entities formed or to be formed on its behalf, including, but not limited to WDP Enterprises at Westbury, LLC (collectively, together with WDP Management, Inc., the "Applicant"), has requested that the Agency grant a new approval for the Project permitting the Applicant to proceed with Project; and

WHEREAS, the Agency by Resolution No. 2022-95, duly adopted on November 17, 2022, decided to proceed under the provisions of the Act to acquire, construct, equip and lease the Project Facility and enter into a lease agreement with the Applicant; 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)(i) the Executive Director of the Agency caused a letter dated April 11, 2022 (the Original Pilot Deviation Notice Letter) mailed to the chief executive officer of each affected tax jurisdiction, informing said individuals that the Agency would, at its meeting on April 28, 2022, consider a proposed deviation from the Tax Exemption Policy with respect to the payments in lieu of real property taxes to be made pursuant to a payment in lieu of taxes agreement to be entered into by the Agency and the Original Applicant with respect to the Project Facility; and (ii) the Executive Director of the Agency caused a letter dated May 12, 2022 mailed to the chief executive officer of each affected tax jurisdiction, informing said individuals that the Agency would, at its meeting on May 26, 2022 (the "Original IDA Meeting"), continue to consider a proposed deviation from the Tax Exemption Policy with respect to the payments in lieu of real property taxes to be made pursuant to a payment in lieu of taxes agreement to be entered into by the Agency and the Original Applicant with respect to the Project Facility; and (B) the members of the Agency conducted the Original IDA Meeting on the date hereof and reviewed any comments and correspondence received with respect to the proposed deviation from the Tax Exemption Policy; and

WHEREAS, the Agency by Resolution No. 2022-38, duly adopted on May 26, 2022 (the "Original PILOT Deviation Resolution"), approved the proposed deviation from the Tax Exemption Policy and authorized the Agency to (A) enter into a Payment in Lieu of Taxes Agreement with the Original Applicant, providing, among other things, that the Original 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.

WHEREAS, pursuant to Section 874(4) of the Act, (A) the Executive Director of the Agency caused a letter dated November 28, 2022 (the "Pilot Deviation Notice Letter") mailed to the chief executive officer of each affected tax jurisdiction, informing said individuals that the Agency would, at its meeting on December 15, 2022 (the "IDA Meeting"), continue to consider a proposed deviation from the Tax Exemption Policy with respect to the payments in lieu of real property taxes to be made pursuant to a payment in lieu of taxes agreement to be entered into by the Agency with respect to the Project Facility; and (B) the members of the Agency conducted the IDA Meeting on the date hereof and reviewed any comments and correspondence received with respect to the proposed deviation from the Tax Exemption Policy; and

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

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

Section 1. Prior to making the determinations set forth in this resolution, the members of the Agency have considered the following factors set forth in the Tax Exemption Policy: (1) the extent to which the Proposed Project would create or retain permanent jobs; (2) the extent to which the Proposed Project would create construction jobs; (3) the estimated value of tax exemptions to be provided with respect to the Proposed Project; (4) the amount of private sector investment generated or likely to be generated by the Proposed Project; (5) the likelihood of the Proposed Project being accomplished in a timely manner; (6) the extent of new revenue that would be provided to affected tax jurisdictions as a result of the Proposed Project; (7) whether affected tax jurisdictions would be reimbursed by the Applicant if a Proposed Project does not fulfill the purposes for which an exemption was provided, (8) the impact of the Proposed Project on existing and proposed businesses and economic development projects in the vicinity, (9) the demonstrated public support for the Proposed Project, (10) the effect of the Proposed Project on the environment, (11) the extent to which the Proposed Project would require the provision of additional services, including, but not limited to, additional educational, transportation, police, emergency, medical or fire services, and (12) any other miscellaneous public benefits that might result from the Proposed Project.

<u>Section 2</u>. 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 3. Having reviewed all comments and correspondence received at or prior to the IDA Meeting, 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 Proposed Project and because the PILOT payments would not be lower than the real property taxes that should otherwise apply with respect to the Land and the existing improvements thereon as of the closing date of the transaction.

Section 4. The Chairman, the Vice Chairman, the Chief Executive Officer/Executive Director, Chief Operating Officer and the 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, the Vice Chairman, the Chief Executive Officer/Executive Director, Chief Operating Officer and the 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.

<u>Section 5</u>. 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:

Richard Kessel	VOTING	AYE
John Coumatos	VOTING	AYE
Timothy Williams	VOTING	ABSENT
Reginald A. Spinello	VOTING	AYE
William H. Rockensies	VOTING	AYE
Raymond Pinto	VOTING	ABSENT
Victor Lagreca	VOTING	AYE

The foregoing Resolution was thereupon declared duly approved.

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**COUNTY OF NASSAU** 

We, the undersigned [Vice] Chairman and [Assistant] Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on December 15, 2022 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 15<sup>th</sup> day of December, 2022.

[Assistant] Secretary

[Vice] Chairman

(SEAL)

### STATE OF NEW YORK

) SS.:

COUNTY OF NASSAU

We, the undersigned [Vice] Chairman and [Assistant] Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on December 15, 2022 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  $15^{th}$  day of December, 2022.

[Assistant] Secretary

[Vice] Chairman

(SEAL)

### **PILOT DEVIATION LETTER**



November 28, 2022

CERTIFIED MAIL, RETURN
RECEIPT REQUESTED and
FIRST CLASS MAIL
County Executive Bruce Blakeman
County of Nassau
1550 Franklin Avenue
Mineola, New York 11501

Supervisor Jennifer DeSena Town of North Hempstead 220 Plandome Road Manhasset, NY 11030

Incorporated Village of Westbury Mayor Peter I. Cavallaro 235 Lincoln Place Westbury, New York 11590

Superintendent Dr. Tahira A. DuPree Chase Westbury School District 2 Hitchcock Lane Old Westbury NY 11568-1624

# NOTICE OF PROPOSED DEVIATION FROM UNIFORM TAX EXEMPTION POLICY

### Ladies and Gentlemen:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on December 15, 2022 at 6:30 p.m. local time and to be conducted in the Nassau County Legislative Chamber, 1550 Franklin Avenue, Mineola, New York 11501, the Agency will consider whether to approve the application of the Applicant (as defined below), 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 Agency previously provided notice that this matter would be considered at its meeting on April 28, 2022, the Agency, however, removed the matter from the April 28, 2022 hearing agenda and will, now, consider the "financial assistance" on May 26, 2022.







At the meeting of the Agency, the Agency will consider the application of WDP MANAGEMENT, INC., a business corporation organized and existing under the laws of the State of New York, together with entities formed or to be formed on its behalf (collectively, the "Applicant"), has presented an application for financial assistance (the "Application") to the Agency, which Application requests that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of a 0.35 acre parcel of land located at 249 Drexel Avenue, Village of Westbury, Town of North Hempstead, Nassau County, New York (Section: 10; Block: 187; Lot: 919) (the "Land"), (2) the construction of an approximately 23,025 square foot, mixed use building (collectively, the "Building"), on the Land, together with related improvements to the Land, (3) the acquisition of certain furniture, fixtures, machinery and equipment (the "Equipment") necessary for the completion thereof (collectively, the "Project Facility"), all of the foregoing for use by the Applicant as an eighteen (18) unit residential rental housing facility, including three (3) affordable residential rental apartments and one (1) retail unit on the ground floor; (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, 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.

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, assuming the Closing Date occurs in the current fiscal tax year of all affected tax jurisdictions:

- (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 (as defined below), payments shall be equal to one hundred percent (100%) of the real property taxes and assessments that would be levied annually upon the Land and the existing improvements thereon as of the date of closing 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 sixteen (16) full fiscal tax years thereafter, fixed payments equal to the sum of the PILOT PAYMENTS shown on **Exhibit A** hereto.

Thereafter, and through the end of the term of the project agreement, 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, "Effective Date" shall be deemed to mean for each affected tax jurisdiction the first day of the first fiscal tax year following the first taxable status date occurring subsequent to the last to occur of (i) the Agency acquiring an interest in the Project

Facility, (ii) the filing by the Agency of the appropriate application for tax exemption with the Nassau County Tax Assessor, and (iii) the acceptance of such Application by such assessor.

The PILOT Payments shall not increase or decrease during the term of the PILOT Agreement. The PILOT Payments shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to 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 PILOT Payments would not be lower than the real property taxes that should otherwise apply with respect to the Land and the existing improvements thereon as of the Closing Date.

Sincerely,

NASSAU COUNTY INDUSTRIAL

DEVELOPMENT AGENCY

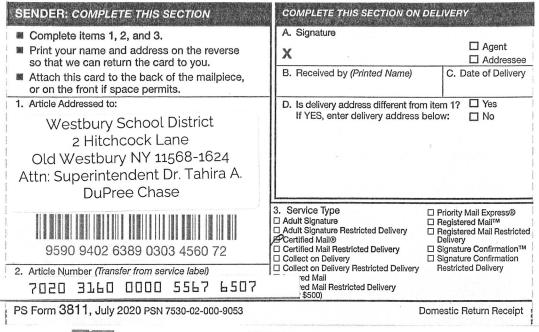
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Colleen Pereira

Administrative Director

## Exhibit A

PILOT YEAR	Operation Year	PILOT PAYMENT
1 (As of the Effective Date)	Construction	\$45,052.00
2	Construction	\$45,052.00
3	1	\$57,723.09
4	2	\$70,394.09
5	3	\$83,065.09
6	4	\$95,736.09
7	5	\$108,407.09
8	6	\$121,078.09
9	7	\$133,749.09
10	8	\$146,420.09
11	9	\$159,091.09
12	10	\$171,762.09
13	11	\$184,433.09
14	12	\$197,104.09
15	13	\$209,775.09
16	14	\$222,446.09
17	15	\$235,117.09



PLACE STOCKER ATTOP OF BRUNCH	For delivery information, visit our website at www.usps.com°.  Certified Mail Fee  Extra Services & Fees (check box, add fee as appropriate)  Return Receipt (flardcopy)  Return Receipt (flardcopy)
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1. Article Addressed to:		D. Is delivery address different from ite	
Incorporated Village 235 Lincoln		If YES, enter delivery address belo	ow: □ No
Westbury, New			
Attn: Mayor Peter	I. Cavallaro		
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