

Cox Automotive, Inc. - Amendment 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, Legislative Chambers, 1550 Franklin Avenue, Mineola, Nassau County, New York, on February 27, 2025, at 6:42 p.m., local time.

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

PRESENT:

William H. Rockensies	Chair
Raymond Pinto	Secretary/Asst. Treasurer
John Coumatos	Treasurer
Marissa Brown	Asst. Secretary
Joseph Manzella	Member

NOT PRESENT:

Reginald A. Spinello	Member
Marco Troiano	Member

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Sheldon L. Shrenkel	Chief Executive Officer/Executive Director
Anne LaMorte	Chief Financial Officer
Colleen Pereira	Administrative Director
Stephanie Alfano	Temporary Administrative Assistant
Paul O’Brien	Bond/Transaction Counsel

The attached resolution no. 2025-05 was offered by J. Coumatos, seconded by R. Pinto.

Resolution No. 2025-05

RESOLUTION TAKING ACTION WITH RESPECT TO A CERTAIN
PROJECT FOR COX AUTOMOTIVE, INC., AND OTHER MATTERS IN
CONNECTION THEREWITH

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, DEALERTRACK TECHNOLOGIES, INC., a corporation 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 “Company”), presented an application (the “Application”) to the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the acquisition of an interest in an approximately 9.6 acre parcel of land located at 3400 New Hyde Park Road, Incorporated Village of North Hills, Town of North Hempstead, County of Nassau, New York (Section: 8; Block: A; Lots: 880 and 881) (the “Land”), (2) the construction of an approximately 233,000 square foot office building on the Land, together with related improvements to the Land (collectively, the “Building”), 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 Company as its world headquarters facility (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, mortgage recording taxes and sales and use taxes (collectively, the “Financial Assistance”); and (C) the lease, license or sale of the Project Facility to the Company or such other entity as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Company entered into an Amended and Restated Agreement of Lease dated

as of June 24, 2015 (the “Overlease”) between DT-XCIII-IS, LLC, as successor landlord (in such capacity, the “Overlandlord”), and the Company, as tenant, pursuant to which the Company leased the Premises (as defined in the Overlease) from the Overlandlord; and

WHEREAS, the Agency appointed the Company as agent of the Agency to undertake the acquisition, construction, installation and equipping of the Project Facility and the Agency sub-leased the Project Facility to the Company, all pursuant to the terms and conditions set forth in the Sublease Agreement dated as of June 1, 2015 between the Company and the Agency (as amended, modified, supplemented and restated, the “Lease”), and the other Transaction Documents (as defined in the Lease); and

WHEREAS, in accordance with the provisions of the Lease, Cox Automotive, Inc. (“Cox”) purchased all of the outstanding shares of stock of Dealertrack, Inc., successor-in-interest to the Company (“Dealertrack”), on or about October 1, 2015; and

WHEREAS, in connection with the foregoing corporate transaction, Dealertrack requested that the Agency consent to the assignment by Dealertrack to Cox of all of the Dealertrack’s rights, title and interest in and to the Lease and the other Transaction Documents and the assumption by Cox of all of Dealertrack’s duties and obligations thereunder, all pursuant to a letter from Cox’s counsel to the Agency dated November 7, 2017 (the “Assignment Transaction”); and

WHEREAS, pursuant to a resolution adopted by the members of the Agency on November 16, 2017, the Agency approved the Assignment Transaction and authorized the Agency to enter into the amendment documents required to effectuate such transaction; and

WHEREAS, by letter dated October 19, 2023 (the “Default Letter”), the Agency notified Cox that Cox was not in compliance with its obligations under the Lease and the other Transaction Documents and that a default had occurred as a result of, inter alia, the failure to maintain the Minimum Employment Requirement (as defined in the Lease) required as of December 31, 2022, as evidenced by the jobs report dated February 22, 2023 submitted by Cox to the Agency; and

WHEREAS, pursuant to the Default Letter, the Agency also notified Cox that a Recapture Event had occurred as a result of, inter alia, the failure to maintain the Minimum Employment Requirement at all times during the term of the Lease, which constitutes a Recapture Event pursuant to Section 11.4(C)(7) of the Lease; and

WHEREAS, by letter dated February 6, 2025, Cox proposed that (i) the Agency waive the defaults and Recapture Events set forth in the Default Letter as well as all subsequent defaults and Recapture Events resulting from the failure to meet the Minimum Employment Requirement through and including December 31, 2024, (ii) the Agency enter into an amendment of the Lease to adjust the Minimum Employment Requirement effective for the 2025 calendar year and to make certain other amendments to the Transaction Documents in connection therewith, (iii) the Agency accept a Recapture of Benefits payment from Cox in the form of a lump sum payment, and (iv) the Agency enter into an amendment of the PILOT Agreement (as defined in the Lease) to increase the PILOT payments thereunder for the remainder of the term thereof; and

WHEREAS, the Agency is willing to accommodate Cox's requests set forth above (collectively, the "Waiver Request"), subject to the terms and conditions set forth in this Resolution;

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

Section 1. Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Lease.

Section 2. The Agency hereby ratifies, confirms and approves all actions heretofore taken by the staff of the Agency with respect to the matters contemplated by this Resolution, including, without limitation, those actions required to ensure full compliance with the requirements of the Act, SEQRA and all other Applicable Laws that relate thereto.

Section 3. The Agency hereby determines that the proposed action is a Type II Action pursuant to Article 8 of the New York Environmental Conservation Law (including the regulations thereunder, "SEQRA") involving "continuing agency administration" which does not involve "new programs or major reordering of priorities that may affect the environment" (6 NYCRR Section 6.17.5(c)(26)), and therefore no findings or determination of significance are required under SEQRA.

Section 4. No additional Financial Assistance is being requested by Cox with respect to the Waiver Request, and, therefore, no public hearing of the Agency is required pursuant to Section 859-a of the Act.

Section 5. The Agency hereby determines that the Agency has fully complied with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the Waiver Request.

Section 6. Based on the recitals set forth above and on the facts and information obtained by the staff of the Agency and reported to and reviewed by the members of the Agency at this meeting, the Agency hereby determines that it has reviewed and assessed all material information necessary to afford a reasonable basis for the Agency to make the determinations set forth herein.

Section 7. The Agency is hereby authorized to grant the Waiver Request provided that Cox shall enter into amendments to the Lease, the PILOT Agreement and the other Transaction Documents providing that (i) effective for the 2025 calendar year and continuing thereafter throughout the term of the Lease, Cox would maintain not less than four hundred seventy-five (475) full-time equivalent jobs at the Project Facility, (ii) Cox would make a Recapture of Benefits payment to the Agency in the amount of \$4,752,305, and (iii) Cox would make increased PILOT payments under the PILOT Agreement in amounts proposed in the Waiver Request.

Section 8. The Chair, Vice Chair, CEO/Executive Director and Administrative Director of the Agency, acting individually or jointly, are each hereby authorized to execute, acknowledge and deliver any documents, instruments or agreement he or she deems necessary or advisable to accomplish the purposes of this Resolution. The execution and delivery of any such document, instrument or agreement by any one of said officers shall be conclusive evidence of due authorization

and approval.

Section 9. The authorizations set forth in this Resolution are further subject to the condition that Cox shall reimburse the Agency for all costs and expenses incurred by the Agency in connection with the transactions contemplated herein, including, without limitation, the Agency's consent and amendment fee and all reasonable attorneys' fees and disbursements incurred by the Agency, including without limitation, the fees and expenses of Special Counsel, Phillips Lytle LLP.

Section 10. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution, the Amendment Documents and the Consent Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time; provided, however, that no covenants, stipulations, obligations or agreements of the Agency contained in this Resolution, any Amendment Document or any Consent Document shall give rise to any pecuniary liability of the Agency or a charge against its general credit or shall obligate the Agency in any way except to the extent that the same can be paid or recovered from the Project Facility or the sale or liquidation of the Project Facility or revenues therefrom.

No covenant, stipulation, obligation or agreement herein contained or contained in any Amendment Document or any Consent Document shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity and neither the members of the Agency nor any officer executing any Amendment Document or any Consent Document shall be liable personally on the Amendment Documents or the Consent Documents or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 11. The Agency hereby authorizes the Chair, Vice Chair, CEO/Executive Director and Administrative Director of the Agency, acting individually or jointly, to approve modifications to the terms approved hereby which are not inconsistent with the intent and substance of this Resolution, such approval to be evidenced by the execution by such officers of the documents, instruments or agreements containing such modifications.

Section 12. The Chair, Vice Chair, CEO/Executive Director and Administrative Director of the Agency, acting individually or jointly, are hereby authorized and directed to distribute copies of this Resolution to Cox and such other parties as any such officer may determine.

Section 13. 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:

William H. Rockensies	VOTING	Aye
John Coumatos	VOTING	Aye
Raymond Pinto	VOTING	Aye
Reginald A. Spinello	EXCUSED	
Marco Troiano	EXCUSED	
Marissa Brown	VOTING	Aye
Joseph Manzella	VOTING	Aye

The foregoing Resolution was thereupon declared duly adopted.


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

We, the undersigned [~~Vice~~] Chair 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 February 27, 2025 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.

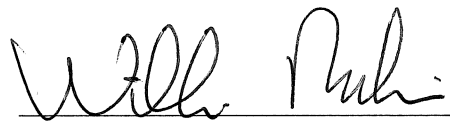
WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; (D) there was a quorum of the members of the Agency present throughout said meeting; and (E) the meeting was recorded and the recording has been or will be posted on the public website of the Agency pursuant to the Open Meetings Law.

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 27th day of February, 2025.



[~~Assistant~~] Secretary



[~~Vice~~] Chair

(SEAL)