

**RESOLUTION GRANTING APPROVAL OF AND AUTHORIZING THE GRANT OF CERTAIN FINANCIAL ASSISTANCE BY THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY TO PARKWAY PROPERTIES INC. AND PARK PLAZA HOLDINGS LLC IN CONNECTION WITH THE CONSTRUCTION, RENOVATION AND EQUIPPING OF A MULTI-FAMILY APARTMENT BUILDING IN THE TOWN OF BABYLON**

WHEREAS, the Town of Babylon Industrial Development Agency (the “Agency”) is authorized under the laws of the State of New York, and in particular under the provisions of the New York State Industrial Development Agency Act and the Agency’s enabling legislation, respectively constituting Article 18-A and Section 907-a of the General Municipal Law (Chapter 24 of the Consolidated Laws of New York), as amended (the “Act”), to assist in providing for manufacturing, warehousing, research, civic, commercial and industrial facilities in the Town of Babylon; and

WHEREAS, on representatives of Parkway Properties Inc., a corporation organized and existing under the laws of the State of New York (the “Company”), and Park Plaza Holdings LLC, a limited liability company organized and existing under the laws of the State of New York, or any other real estate holding entity formed by the principals of the Company (the “Owner”) have filed or caused to be filed an application with the Agency concerning a “project” within the meaning of the Act (the “Project”) consisting of the construction and equipping of a new approximately 78,000 square foot building and the renovation and equipping of an approximately 30,000 square existing building thereon located on that certain approximately 1.0 acre lot, piece or parcel of land (the “Land”) generally known as 340, 360 & 380 Eastern Parkway, 9-11 Denton Place and 7 Dean Street in Farmingdale, New York 11735, all for use as an approximately 48 unit multi-family apartment building with a 20% affordability component totaling approximately 10 units (the “Facility”);

WHEREAS, representatives of the Company have indicated that the Project and the Facility will be located in a highly desirable transitional area near the Farmingdale LIRR train station and the apartments will be leased to the general public, offering 20% affordable housing and it appears necessary to assist the Owner and the Company by taking leasehold title to the Facility so as to afford the Company and the Owner certain relief from mortgage recording taxation, relief from real property taxation, mortgage recording taxation and relief from sales and use taxation for a limited period; and

WHEREAS, it is contemplated that the Owner will lease the Facility to the Agency pursuant to a Company Lease Agreement (the “Company Lease Agreement”), by and between the Owner and the Agency, and the Agency will assist the Owner and the Company to undertake the Project and will further lease or sublease the Facility to the Owner pursuant to a Lease and Project Agreement (the “Lease Agreement”), by and between the Owner and the Agency pursuant to which the Owner agrees, among other things, to make lease payments in such amounts as specified in the Lease Agreement and it is intended that the Owner will sublease the Facility to the Company pursuant to a sublease agreement (the “Sublease Agreement”), by and between the Owner and the Company pursuant to which the Company agrees, among other things, to make sublease payments in such amounts as specified in the Sublease Agreement which shall equal all amounts due to the Agency under the Lease Agreement; and

WHEREAS, pursuant to the Lease Agreement and the Sublease Agreement the Owner and the Company have agreed to make certain payments in lieu of real property taxes with respect to the Facility to the Agency; and

WHEREAS, in connection with the Agency's evaluation of the Project for the provision of financial assistance, the Agency has (i) assessed all material information relating to the project included in the Company's project application (the "Project Application") in order to afford a reasonable basis for the decision of the Agency to provide financial assistance to the Project; and (ii) prepared and reviewed a written cost benefit analysis (the "Cost Benefit Analysis") for the Project in accordance with the Uniform Project Evaluation Criteria Policy of the Agency which identifies the extent to which (A) the estimated value of any tax exemption to be provided to the Project, (B) the amount of private sector investment generated or likely to be generated by the Project; (C) reviewed the likelihood of accomplishing the proposed project in a timely fashion; and (D) considered the extent to which the Project will provide additional sources of revenue for the Town and the school district where the Facility is located: and

WHEREAS, in connection with the adoption of this resolution the Agency has reviewed the Project Application and the Company has confirmed in such Project Application that as of the date of the Projection Application, the Company is in substantial compliance with the Act; and

WHEREAS, there has been submitted to the Agency an environmental assessment form with respect to this proposed action in accordance with the State Environmental Quality Review Act and the regulations promulgated thereunder ("SEQRA"); and

WHEREAS, it is desired that the Agency authorize the granting of certain financial assistance to the Owner and the Company in connection with the Project and the Facility including exemption from mortgage recording taxes, real property taxes and sales and use taxes.

NOW, THEREFORE, BE IT DETERMINED, APPROVED AND RESOLVED by the members of the Agency as follows:

Section 1. With respect to the Agency's evaluation criteria for Affordable Housing Projects the Agency makes the following determinations:

- (a) It has reviewed the information in the Cost Benefit Analysis with respect to the Project.
- (b) The Project will not have significant impact on local labor in the Town but will result in construction employment during the construction of the Project.
- (c) The Town is in need of affordable housing units and the Facility will provide affordable housing within the Town's guidelines.
- (d) The Project is in alignment with local planning and development efforts.
- (e) The Project is located in an area that has inadequate affordable housing supply.

- (f) The Project is in an urban/town center location.
- (g) The Project has local officials support.
- (h) Project promotes transit oriented or walkable community areas.

Section 2. Based on the evaluation of the foregoing evaluation criteria, (a) The Agency hereby finds and determines that (i) the Project constitutes a “Project” within the meaning of the Act; and (ii) the granting of mortgage recording tax abatements, real property tax abatements and sales and use tax abatements (collectively the “Financial Assistance”) by the Agency with respect to the Facility pursuant to the Act, will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Babylon, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act.

(b) It is desirable and in the public interest for the Agency to grant Financial Assistance to the Company and the Owner with respect to the Project.

(c) The Agency shall grant Financial Assistance to the Owner in the form of New York State and local Sales and Use Tax abatements as provided in the Lease Agreement and in the event of the occurrence of a recapture event under the Lease Agreement the Agency will pursue recapture of Financial Assistance as provided in the Lease Agreement.

Section 3. To accomplish the purposes of the Act, the Owner will lease the Facility site and existing improvements thereon to the Agency pursuant to the Company Lease Agreement. The Agency will assist the Owner and Company to undertake the Project and will lease the Facility to the Owner pursuant to the Lease Agreement. The Owner will sublease the Facility to the Company pursuant to the Sublease Agreement.

Section 4. Pursuant to the Lease Agreement and Sublease Agreement, the Owner or the Company on behalf of the Owner shall make certain payments in lieu of real property taxes (“PILOTS”) which would be otherwise due and payable with respect to the Facility.

Section 5. In order to provide the Owner and the Company with financial assistance with respect to exemption from New York State and local Sales and Use Taxes with respect to the Project the Agency may issue to the Owner’s agents certain sale tax authorization letters (“Sales Tax Authorization Letters”) which shall be used pursuant to the terms contained therein and in the Lease Agreement.

Section 6. In order to secure amounts to be loaned by CPC Funding SPE 1 LLC, The Community Preservation Corporation and/or any other mortgage lender acceptable to the Chief Executive Officer (“CEO”) of the Agency or any other authorized representative to the Owner with respect to the Project, the Agency hereby authorizes the execution of one or more mortgages (collectively, the “Mortgages”) granted at the initial closing of the “straight lease” transaction or any time thereafter during the term of the Lease Agreement, from the Agency and the Owner to CPC Funding SPE 1 LLC, The Community Preservation Corporation and/or any other mortgage lender acceptable to the CEO of the Agency or any other authorized

representative, in form acceptable to the CEO of the Agency or any other authorized representative and Counsel to the Agency.

Section 7. The form and substance of the Company Lease Agreement in substantially the form previously approved by the Agency for other “straight lease” transactions is hereby approved.

Section 8. The form and substance of the Lease Agreement in substantially the form previously approved by the Agency for other “straight lease” transactions is hereby approved.

Section 9. The form and substance of the Sublease Agreement in substantially the form previously executed for other “straight lease” transactions is hereby approved.

Section 10. The CEO of the Agency or any successor CEO of the Agency or any other authorized representative, is hereby authorized, on behalf of the Agency, to execute and deliver final forms of the Company Lease Agreement, the Lease Agreement, Sales Tax Authorization Letters, the Mortgages and any other agreements or certificates consistent herewith (hereinafter collectively called the “Agency Documents”), all in substantially the forms previously executed by the Agency for other “straight lease” transactions acceptable to Agency Counsel, with such changes, variations, omissions and insertions in the Agency Documents as the CEO of the Agency or any other authorized representative of the Agency shall upon advice of counsel approve. The execution thereof by the CEO of the Agency or any other authorized representative shall constitute conclusive evidence of such approval.

The CEO of the Agency or any other authorized representative are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives including the Chairman, the Secretary or Assistant Secretary of the Agency, to execute any Agency Documents or certificates of the Agency authorized pursuant to this Resolution and determine the terms of the Agency Documents.

The Secretary, Assistant Secretary or Counsel to the Agency is hereby authorized to attest to the CEO’s or any other authorized representative’s signature on the foregoing documents and to impress or affix the seal or facsimile seal of the Agency thereto to the extent required in the Agency Documents.

Section 11. The CEO of the Agency or any other authorized representative, the Chief Financial Officer (“CFO”) of the Agency, the Chairman or the Secretary and any member of the Agency (as used in this resolution, the “Authorized Representatives”) are hereby designated the authorized representatives of the Agency and each of them is hereby authorized and directed to cause the transactions as described in the Company Lease Agreement, Lease Agreement and the Sublease Agreement to be undertaken and in relation thereto, to execute and deliver any and all papers, instruments, agreements, opinions, certificates, affidavits and other documents, and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution, and the Agency Documents including such changes or revisions in the forms of such documents as may be requested by counsel to the Agency.

Section 12. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or

provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments, agreements and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary, or in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 13. All covenants, stipulations, obligations and agreements of the Agency contained in this resolution, and the Agency 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 and upon any board or body to which any powers or duties, affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Agency or the members thereof by the provisions of this resolution, and the Agency Documents shall be exercised or performed by the Agency or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

Section 14. No covenant, stipulation, obligation or agreement contained in this resolution, or the Agency Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency or the Town of Babylon in his or their individual capacity and neither the members of the Agency nor any officer shall be liable personally on the Agency Documents or be subject to any personal liability or accountability by reason of the execution thereof.

Section 15. The law firm Katten Muchin Rosenman LLP is hereby appointed transaction counsel to the Agency for this transaction.

Section 16. The Agency, as an involved agency, pursuant to the State Environmental Quality Review Act (SEQRA) (Article 8 of the Environmental Conservation law) and implementing regulations contained in 6 N.Y.C.R.R, part 617 hereby adopts the findings of the Town of Babylon with respect to the Facility and the Project as set forth in Exhibit A hereto which are incorporated by reference herein.

Section 17. Notwithstanding the foregoing, the Agency will not grant any Financial Assistance to be granted hereunder in excess of \$100,000 to either of the Company or the Owner until the Agency has held a public hearing with respect to the grant of financial assistance in accordance with the provisions of the Act.

Section 18. This resolution shall take effect immediately.

STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF SUFFOLK )

I, Chris Terenosik, the duly elected, qualified Secretary of the Town of Babylon Industrial Development Agency (the "Agency"), hereby certify that:

1. The foregoing is a true, correct and complete copy of the record of proceedings of the Agency had and taken at a lawful meeting of the Agency held at the Law Offices of John Braslow, 816 Deer Park Avenue, North Babylon, New York on September 12, 2017, commencing at the hour of 8:00 A.M., as recorded in the regular official book, of the proceedings of the Agency, those proceedings were duly had and taken as shown therein.

2. All members of the Agency and the public were duly notified of that meeting pursuant to law.

IN WITNESS WHEREOF, I have signed this certificate and affixed the seal of the Agency the 12<sup>th</sup> day of September, 2017.

  
Secretary

(SEAL)

EXHIBIT A  
FINDINGS STATEMENT

RESOLUTION NO. 2017-119  
DETERMINING THAT PLANNING BOARD JOB NO. 09-25AE  
PARKWAY PROPERTIES, INC.  
WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT  
MONDAY, AUGUST 21, 2017

WHEREAS, the Planning Board of the Town of Babylon hereby declares its intent to be the lead agency for the application of Parkway Properties, Inc., to add a full basement to the building that includes full size storage rooms, full sized on site gym, party room, recreational room, and on site leasing office. Eliminating the spaces used by the original rooms on the 1<sup>st</sup> & 2<sup>nd</sup> floors (i.e. utility closet & gym & laundromat & storage rooms) to enlarge the sizes of the one and two-bedroom units, is located on the southwest corner of Eastern Parkway and Denton Place, in the hamlet of East Farmingdale identified by Suffolk County Tax Map No. 0100-046-01-002, 0100-046-01-003, 0100-046-01-004, 0100-046-01-016, 0100-046-01-017, 0100-046-01-018 & NCTM No. 49-88-1, 49-88-2A, 49-88-614A & 49-88-614B; and in accordance with the State Environmental Quality Review Act (SEQRA) and the Town of Babylon Environmental Quality Review Act (TOBEQRA); and

WHEREAS, the Department of Environmental Control is assisting the Planning Board in fulfilling its responsibilities under SEQRA and TOBEQRA; and

WHEREAS, in accordance with the requirements of 6NYCRR Sections 617.6 and 617.7, and Sections 114-6 and 114-7 of Chapter 114 of the Code of the Town of Babylon, the Department of Environmental Control has reviewed the Environmental Assessment Form with respect to the site plan, prepared by Stephen Fellman, Registered Architect License No. 016380-1, date August 4, 2017; and

WHEREAS, based upon review of the information submitted, the Department of Environmental Control has recommended a NEGATIVE DECLARATION be adopted; and

WHEREAS, the Planning Board has reviewed the available information and the recommendation of the Department of Environmental Control; and

WHEREAS, that the Planning Board classifies the action as an unlisted action with an uncoordinated review having been conducted; and

WHEREAS, that the Planning Board hereby independently determines the following:

1. The proposal will not create a significant increase in traffic.
2. Subsurface contamination on the subject location will be remediated to the satisfaction of the New York State Department of Environmental



- Conservation (NYSDEC). This remediation will be in compliance with applicable residential cleanup standards to result in a letter being issued by the NYSDEC requiring no further action by the project sponsor.
3. The project site does not contain any sensitive environmental resources.
  4. Noise mitigation measures will be employed in the construction of the residential units.

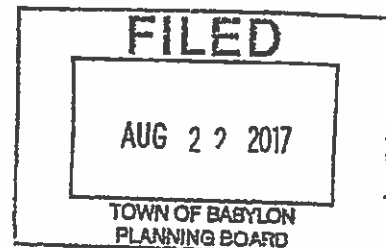
Now, therefore, be it resolved that the Planning Board as lead agency hereby determines that the proposal by Parkway Properties, Inc. will not have a significant adverse impact on the environment.

AND FURTHER BE IT,  
RESOLVED, that based upon the foregoing determination, the Planning Board of the Town of Babylon hereby adopts a NEGATIVE DECLARATION, as required by the SEQRA AND TOBEQRA.

VOTES: (7)                      AYES: (7)    NAYS: (0)    ABSTAINED (0)

Lev Brickman	X
Edward Wynn	X
Tracey Groomes	X
Michael Cafaro	X
Gerald O'Neill	X
Nathan King	X
Daniel Truchan	X

The resolution was thereupon declared duly adopted.  
Dated August 21, 2017 Town of Babylon New York.



RESOLUTION NO. 2017-125  
APPROVING MODIFICATION OF APPROVED SITE PLAN  
PARKWAY PROPERTIES, INC.  
JOB # 09-25AE  
MONDAY, AUGUST 21, 2017

WHEREAS, pursuant to the Code of the Town of Babylon, Chapter 186, Sections 1-17 a formal application for a site plan review entitled Parkway Properties, Inc. was submitted to the Planning Board of the Town of Babylon on November 21, 2016 and an application fee of \$600.00 was paid; and

WHEREAS, said site development, more specifically, to rezone 98,110.5sf (2.24 acres) of land from C Residence & G Industry to MR and to construct 48 (40 one-bedroom, 8 two-bedroom) apartments for rent located on the southwest corner of Eastern Parkway and Denton Place, in the hamlet of East Farmingdale, and identified by Suffolk County Tax Map No. 0100-046-01-002, 0100-046-01-003, 0100-046-01-004, 0100-046-01-016, 0100-046-01-017, 0100-046-01-018 & NCTM No. 49-88-1, 49-88-2A, 49-88-614A & 49-88-614B; and

WHEREAS, a public hearing was held on said original application at the Town Hall in North Lindenhurst, New York on April 29, 2013; and

WHEREAS, the site plan review was approved by the Planning Board on May 5, 2014 by Resolution No. 2014-033; and

WHEREAS, the applicant has submitted a revised site plan prepared by Stephen Fellman, Registered Architect, License No. 016380-1, dated August 4, 2017 (revised) which reflect the following changes to the approved site plan:

The modified plans added a full basement to the building that includes full size storage rooms, full sized on site gym, party room, recreational room, and on site leasing office. Eliminating the spaces used by the original rooms on the 1<sup>st</sup> & 2<sup>nd</sup> floors (i.e. utility closet & gym & laundromat & storage rooms) to enlarge the sizes of the one and two-bedroom units. The number of one bedroom units (40) and two bedroom units (8) remains the same.

WHEREAS, the Commissioner of Planning and Development has reviewed said submission and has found it to be acceptable;

WHEREAS, upon the recommendation of the Department of Environmental Control, it has been determined that in accordance with the State Environmental Quality Review Act (SEQRA) and the Town of Babylon Environmental Quality Review Act (TOBEQRA), the proposed action is a Unlisted Action-Uncoordinated Review and a coordinated review having been conducted and a Negative

Declaration was adopted by the Planning Board on August 21, 2017 by Resolution No. 2017-119; and

NOW, THEREFORE, be it

RESOLVED, that the application of Parkway Properties, Inc. for approval of said revised site plan prepared by Stephen Fellman, Registered Architect, License No. 016380-1, dated August 4, 2017 (revised) be approved subject to the following conditions;

The following declaration of COVENANTS and RESTRICTIONS must be filed in the Suffolk County Clerk's Office:

1. Recreation areas/rooms are for the use of the tenants and their guests only.
2. Storage units are for the use of the tenants only.
3. The leasing office shall be for business associated with the approved site plan and no other business shall be conducted.
4. Owner/applicant shall comply with all NYS regulations for handicapped accessibility including but not limited to handicapped ramps and handicapped parking spaces.
5. The building shall have a fully automatic fire sprinkler system installed pursuant to NFPA 13 and Section 213-235 of the Town Zoning Code and at the direction of the Fire Marshal.
6. The attic is for utilities only and as approved by the Fire Marshal.
7. The use of inorganic fertilizers, pesticides, and herbicides shall be minimized as standard operating procedure for the landscape maintenance of the site.

RESOLVED, that the approval of this site plan is subject to the following conditions:

1. The location of all HVAC, air handlers, transformers, and RPZ/water service devices shall be approved by the Town of Babylon Planning Department prior to installation.
2. Audio/visual notifications for all alarms should be installed in all units.

VOTES: (7)

AYES: (7)

NAYS: (0)

ABSTAINED (0)

Lev Brickman	X
Edward Wynn	X
Tracey Groomes	X
Michael Cafaro	X
Gerald O'Neill	X
Nathan King	X
Daniel Truchan	X

The resolution was thereupon declared duly adopted.  
Dated August 21, 2017 Town of Babylon New York.

