



AGENDA

March 22, 2023

1. Call to Order.
2. Roll Call
3. Pledge of Allegiance
4. **Resolution # 1**

Resolution to accept the minutes from the February 15, 2023, IDA/IDC Board meeting.

5. **Resolution # 2**

Resolution to accept the minutes from the Public Hearing held March 21, 2023, for Manhattan Beer Distributors, LLC.

6. **Resolution # 3**

Resolution granting approval of an authorizing the grant of certain financial assistance by the Town of Babylon Industrial Development Agency to Manhattan Beer Distributors, LLC and Wyandanch Washington Realty, LLC in connection with the renovation and equipping of and construction of an addition to a warehouse and distribution facility.

7. **Resolution # 4**

Preliminary inducement resolution of the Town of Babylon Industrial Development Agency relating to the granting of preliminary approval to Oak Street Living, LLC in connection with the potential grant of certain financial assistance.

8. **Resolution # 5**

Preliminary inducement resolution of the Town of Babylon Industrial Development Agency relating to the granting of preliminary approval to Crystal Fusion Technologies, Inc. in connection with the potential grant of certain financial assistance.

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9. Resolution # 6

Preliminary inducement resolution of the Town of Babylon Industrial Development Agency relating to the granting of preliminary approval to Vogue Group Inc. and 480 Smith St. LLC in connection with the potential grant of certain financial assistance.

10. Chief Executive Officer's report

11. Old Business

12. New Business

13. Adjournment

BABYLON INDUSTRIAL DEVELOPMENT AGENCY

IDA/IDC MEETING MINUTES

February 15, 2023

Present: Tom Gaulrapp, Chairman
Justin Belkin, Vice Chairman
Paulette LaBorne, Secretary
Marcus Duffin
William Celona
Vincent Piccoli
William Bogardt
Rosemarie Dearing

Present Virtual:
(Non-Voting) Carol Quirk

Also Present: Thomas Dolan, TOBIDA Chief Executive Officer
Frank Dolan, TOBIDA Chief Operations Officer
David Batkiewicz, Special Projects Manager
Joseph Ninomiya, LDCII Chief Executive Officer
Antonio Martinez, TOB Deputy Supervisor
William Wexler, Agency Counsel

A quorum being present, the meeting was called to order at 8:05 A.M.

A motion was made by William Bogardt and seconded by Paulette LaBorne in favor of a resolution to accept the minutes from the January 25, 2023, IDA/IDC Board meeting. All in favor, motion carries.

A motion was made by Justin Belkin and seconded by William Bogardt in favor of a resolution to accept the minutes from the Public Hearing held February 13, 2023, for WR Communities – L, LLC. All in favor, motion carries.

A motion was made by William Celona and seconded by Rosemarie Dearing in favor of a resolution granting approval of an authorizing the grant of certain financial assistance by the Town of Babylon Industrial Development Agency to WR Communities – L, LLC in connection with the acquisition, construction, furnishing and equipping of an affordable multi-family residential rental housing facility in the Town of Babylon. All in favor, motion carries.

A motion was made by Rosemarie Dearing and seconded by Paulette LaBorne in favor of a resolution giving preliminary approval of the Town of Babylon Industrial Development Agency to grant certain financial assistance to Manhattan Beer Distributors, LLC. All in favor, motion carries.

A motion was made by William Bogardt and seconded by Rosemarie Dearing in favor of a resolution authorizing the Agency to sponsor the Lindenhurst Village St. Patrick's Day parade. All in favor, motion carries.

A motion was made by Rosemarie Dearing and seconded by Paulette LaBorne in favor of a resolution authorizing the Agency to sponsor the Babylon Village St. Patrick's Day parade. All in favor, motion carries.

CEO Report

Mr. Dolan informed the Board that the Agency was currently in the process of its annual PILOT collection and distribution process. Mr. Dolan also stated that the Agency was working through its year end reporting process. In that regard, Mr. Dolan said that he wanted to thank Susan Hatalski and David Batkiewicz for the work they were doing to support those efforts. Furthermore, Mr. Dolan stated that he recently met with representatives from New York State, National Grid, and PSEG-LI to review programs that are available to the business community. Mr. Dolan stated that the Agency planned to use the Economically Speaking podcast, and possibly a business summit, to get information about the aforementioned programs out to the business community. Lastly, Mr. Dolan thanked the Board for its leadership in helping to move the projects on the Agenda forward.

Old Business

No old business.

New Business

No new business.

A motion was made by William Bogardt and seconded by Paulette LaBorne to adjourn the meeting. All in favor, motion carries.



Babylon Industrial Development Agency
Public Hearing for Manhattan Beer Distributors, LLC
March 21, 2023

Present: Tom Dolan
David Batkiewicz

Public hearing called to order at 2:00 P.M.

No one from the public was in attendance.

LEGAL NOTICE

Public Hearing

NOTICE is hereby given pursuant to Article 18-A of the General Municipal Law of the State of New York (the "Act"), that the Town of Babylon Industrial Development Agency (the "Agency"), will hold a public hearing on the proposed granting of financial assistance to Manhattan Beer Distributors, LLC, a New York limited liability company (on behalf of itself and/or the principals of Manhattan Beer Distributors, LLC and/or any entity or entities formed on behalf of Manhattan Beer Distributors, LLC or any of the foregoing (collectively, the "Company")) and Wyandanch Washington Realty LLC, a New York limited liability company (on behalf of itself and/or the principals of Wyandanch Washington Realty LLC and/or any entity or entities formed on behalf of Wyandanch Washington Realty LLC or any of the foregoing (collectively, the "Owner")) with respect to a project (the "Project") consisting of the renovation and equipping of an approximately 184,000 square foot existing two-story building and the construction and equipping of an approximately 15,000 square foot addition thereto, located on that certain approximately 14.8 acre lot, piece or parcel of land located at 401 Acorn Street in Wyandanch, New York (the "Facility"), all for use by the Company as a warehouse and distribution facility in its business as a wholesale beverage distributor.

Pursuant to applicable State Law, the Agency proposes to grant certain financial assistance with respect to the Facility including certain exemptions from New York State and local sales and use taxation, local real property taxation and mortgage recording taxation as shall be determined by the Agency. Pursuant to the Act, the Facility, which is owned by the Owner, will be leased to the Agency, shall be further leased to the Owner and, shall be further subleased by the Owner to the Company, and operated by the Company.

Company: Manhattan Beer Distributors, LLC, 955 E 149th Street, Bronx, New York 10455.

Owner: Wyandanch Washington Realty LLC, 955 E 149th Street, Bronx, New York 10455.

Facility Location is: 401 Acorn Street, Wyandanch, New York 11798.

Public Hearing: All persons, organizations, corporations or governmental agencies are invited to submit comments concerning the granting of financial assistance. The hearing will be held on March 21, 2023 at 2:00 P.M. at the Old Town Hall 47 West Main Street in Babylon, New York.

Project Application: The Project Application together with a costs benefit analysis with respect to the Facility shall be available for inspection by the public at the office of the Agency at the above specified

address during the regular business hours of the Agency. For those members of the public desiring to review project applications and cost benefit analyses before the date of the hearing, copies of these materials will be made available at www.babylonida.org/documents. Click on the tab titled "Project Applications" and under the year 2023 you will find the application for "Manhattan Beer Distributors, LLC". Be advised that it is possible that certain of the aforementioned proposed transactions may be removed from the hearing agenda prior to the hearing date. Information regarding such removals will be available on the Agency's website www.babylonida.org/calendar at on or about 12:00 P.M. of the day prior the hearing.

Participation at the Hearing: Persons desiring to submit comments concerning the Facility and the financial assistance to be granted thereto should contact the Town of Babylon Industrial Development Agency, 47 West Main Street, Babylon, New York Attention: Thomas E. Dolan, Chief Executive Officer, at (631) 587-3679 on or before March 20, 2023 at the office of the Agency. Written comments can be submitted prior to the hearing at that address. The Agency reserves the right to limit the time available to any person presenting comments. If you do not want to participate in the hearing, but would like to watch or listen to the proceeding, you may view a livestream of the meeting. Interested parties may view a livestream of the meeting online on the Town of Babylon IDA's YouTube channel. To access the YouTube channel go to the IDA's website at www.babylonida.org/documents. The second item on the documents page is titled "Meeting Videos and Livestream", click this tab and follow the link provided. If you would like to access the IDA YouTube page directly from your browser you may insert the following World Wide Web address:

(https://www.youtube.com/channel/UCqq5ixdVnmsmvSOsD4KnA?view_as=subscriber)

The public hearing was closed at 2:04 P.M.

RESOLUTION GRANTING APPROVAL OF AND AUTHORIZING THE GRANT OF CERTAIN FINANCIAL ASSISTANCE BY THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY TO MANHATTAN BEER DISTRIBUTORS, LLC AND WYANDANCH WASHINGTON REALTY, LLC IN CONNECTION WITH THE RENOVATION AND EQUIPPING OF AND CONSTRUCTION OF AN ADDITION TO A WAREHOUSE AND DISTRIBUTION FACILITY

WHEREAS, the Town of Babylon Industrial Development Agency (the "Agency") is authorized under the laws of the State of New York (the "State"), 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 (the "Town"); and

WHEREAS, representatives of Manhattan Beer Distributors LLC, a limited liability company organized and existing under the laws of the State of New York (the "Company") and Wyandanch Washington Realty LLC, a limited liability company organized and existing under the laws of the State, or any other real estate holding entity formed by the principals of the Company (the "Owner") has filed or caused to be filed an application with the Town of Babylon Industrial Development Agency (the "Agency") concerning a project (the "Project") consisting of the renovation and equipping of an approximately 184,000 square foot existing two-story building and the construction and equipping of an approximately 15,000 square foot addition thereto, located on that certain approximately 14.8 acre lot, piece or parcel of land (the "Land") generally known as and located at 401 Acorn Street in Wyandanch, New York (the "Facility"), all for use by the Company as a warehouse and distribution facility in its business as a wholesale beverage distributor; and

WHEREAS, in order to induce the Owner and the Company to retain and grow additional jobs in the Town, it appears necessary for the Agency to assist the Owner and the Company by taking leasehold title to or undertaking control of the Facility so as to afford the Owner and the Company of certain relief from real property taxation, sales and use taxation and mortgage recording taxation (if any) with respect to the Facility; and

WHEREAS, it is contemplated that the Owner will cause the transfer or lease of the Facility to the Agency pursuant to a Company Lease Agreement (the "**Company Lease**") and the Agency will assist the Owner to undertake the Project and will 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

WHEREAS, it is further contemplated 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 equal to lease rentals as specified in the Lease Agreement; and

WHEREAS, pursuant to the Lease Agreement the Owner has 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; (ii) reviewed the Agency's written cost benefit analysis for the Project which identifies the extent to which (A) the Project will create or retain permanent, private sector jobs; (B) the estimated value of any tax exemption to be provided to the Project, (C) the amount of private sector investment generated or likely to be generated by the Project; (D) reviewed the likelihood of accomplishing the proposed project in a timely fashion; and (E) 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 Project Application, as amended, the Company and the Owner in substantial compliance with the Act; 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 State and local sales and use taxes, mortgage recording taxes, and real property taxes.

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

Section 1. With respect to the Agency's evaluation criteria for Manufacturing/Warehousing//Distribution 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 Company proposes a capital investment in the land, building, machinery and equipment and capital improvements in the Facility of approximately \$28,000,000.

(c) The wage rates for the approximately 239 full-time and 9.5 part-time employees at the Facility average \$156,344 per year for management positions, \$44,393 per year for administrative positions, \$80,115 per year for supervisor positions, \$58,808

per year for production positions, \$56,290 per year for laborer positions and \$49,125 for sales worker positions.

(d) The Project will not have significant impact from local labor construction in the Town.

(e) The Project will not have a significant effect on in-region purchases or research and development.

(f) The Project will not have a significant effect on energy efficiency.

(g) The Project will not affect existing land use or zoning.

(h) Project is important to the retention of a significant employer of the Town. The Company currently employs 239 full-time and 9.5 part-time employees. If the Company does not receive financial assistance from the Agency the Company is considering relocating its current operations in the Town to a facility in New Jersey, which would achieve substantial costs savings for the Company.

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; (ii) the Project is necessary for the Company to maintain its competitive position in its industry and to prevent the Company from relocating its facilities outside of New York State; and (iii) the granting of real property tax abatements, sales and use tax abatements and mortgage recording tax (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 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 Owner and the Company with respect to the Facility.

(c) The Agency shall grant Financial Assistance to the Company and the Owner in the form of New York State and local Sales and Use Tax abatements in a maximum amount not to exceed \$948,750 as provided in Section 5.2 of the Lease Agreement and in the event of the occurrence of a recapture event under the Lease Agreement the Agency will pursue recapture of the Financial Assistance as provided in Section 5.4 of the Lease Agreement.

Section 3. To accomplish the purposes of the Act, the Agency shall take leasehold title to the Facility pursuant to the Company Lease, assist the Owner to undertake the Project and sublease the Facility to the Owner pursuant to the Lease Agreement and the Owner will further sub-sublease the Facility to the Company pursuant to the Sublease Agreement.

Section 4. Pursuant to the Lease Agreement, the Owner will 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 one or more Sales Tax Agent 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 a mortgage lender acceptable to the Chief Executive Officer ("CEO") or the Chief Financial Officer ("CFO") of the Agency to the Company with respect to the financing or refinancing of the Project and the Facility, 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 any mortgage lender acceptable to the CEO or the CFO of the Agency or any other authorized representative, in form acceptable to the CEO or CFO of the Agency or any other authorized representative and counsel to the Agency.

Section 7. The form and substance of the Company Lease in substantially the form previously executed for other "straight lease" transactions is hereby approved.

Section 8. The form and substance of the Lease Agreement in substantially the form previously executed for other "straight lease" transactions is hereby approved.

Section 9. The form and substance of the Sublease Agreement in substantially the form previously approved by the Agency for other "straight lease" transactions is hereby approved.

Section 10. Thomas E. Dolan, as CEO or any successor CEO or any other Authorized Representative, is hereby authorized, is hereby authorized, on behalf of the Agency, to execute and deliver final forms of the Company Lease, Lease Agreement, Mortgages, Sales Tax Agent Authorization Letters, 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 or any other Authorized Representative of the Agency shall upon advice of counsel approve. The execution thereof by the CEO or any other Authorized Representative of the Agency shall constitute conclusive evidence of such approval.

The CEO or CFO 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, the CFO'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.

Section 11. The CEO of the Agency, the Chief Financial Officer ("CFO") of the Agency or any other authorized representative including 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, the 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 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. Notwithstanding the foregoing, the Agency will not grant any Financial Assistance to be granted hereunder in excess of \$100,000 to the Owner or the Company 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 17. This resolution shall take effect immediately.

PRELIMINARY INDUCEMENT RESOLUTION DATED MARCH 22, 2023

PRELIMINARY INDUCEMENT RESOLUTION OF THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY RELATING TO THE GRANTING OF PRELIMINARY APPROVAL TO OAK STREET LIVING, LLC IN CONNECTION WITH THE POTENTIAL GRANT OF CERTAIN FINANCIAL ASSISTANCE

WHEREAS, Oak Street Living, LLC and its successors and assigns (the “Applicant”) has preliminarily informed officials of the Agency about, and has expressed the desire to enter into negotiations with, officials of the Agency with respect to a project (the “Project”) consisting of the construction and equipping of a 12 unit multi-family commercial residential housing facility containing approximately 15,851 square feet and including a twenty percent (20%) affordability component all to be located on that certain approximately 0.42 acre lot, piece or parcel of land generally known as 400 Oak Street, Copiague, New York 11726 (the “Facility”) all for use by the Applicant in its commercial housing development business; and

WHEREAS, the Applicant submitted a preliminary Project Application (the “Project Application”) to the Agency to initiate the accomplishment of the above; and

WHEREAS, pursuant to the Project Application representatives of the Applicant have indicated that the Project and the Facility will result in the creation of additional affordable residential rental housing units within the Town of Babylon (the “Town”); and

WHEREAS, based upon further review of the Project Application, the Agency intends to determine whether financial assistance shall be provided by the Agency in order to induce the Applicant to proceed with the proposed Project; and

WHEREAS, the Applicant is obtaining and compiling all information necessary to allow the Agency to make such determination;

NOW, THEREFORE, BE IT RESOLVED by the Agency as follows:

Section 1. The proposed Project and the Facility would, if approved by the Agency, be in furtherance of the policy of fostering transit oriented development, affordable housing and economic development in the Town in accordance with Article 18-A and Section 907-a of the General Municipal Law of the State of New York.

Section 2. The officers of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to implement the provision of this resolution including compiling and reviewing requisite information to determine whether financial assistance shall be provided by the Agency for the proposed Project;

Section 3. Nothing herein shall be construed as committing the Agency to undertake or approve the Project or to provide financial assistance for the Project.

Section 4. Any expenses incurred by the Agency with respect to the proposed Project shall be paid by the Applicant. The Applicant will agree to pay such expenses and further will agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the proposed Project.

Section 5. This preliminary resolution shall take effect immediately.

PRELIMINARY INDUCEMENT RESOLUTION DATED MARCH 20, 2023

PRELIMINARY INDUCEMENT RESOLUTION OF THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY RELATING TO THE GRANTING OF PRELIMINARY APPROVAL TO CRYSTAL FUSION TECHNOLOGIES INC. IN CONNECTION WITH THE POTENTIAL GRANT OF CERTAIN FINANCIAL ASSISTANCE

WHEREAS, Crystal Fusion Technologies Inc. and its successors and assigns (the “Applicant”) has preliminarily informed officials of the Agency about, and has expressed the desire to enter into negotiations with, officials of the Agency with respect to a project (the “Project”) consisting of the demolition of a 4,000 square foot existing building and the construction and equipping by the Applicant of an approximately 15,000 square foot building, to be located on that certain approximately 1.0 acre lot, piece or parcel of land generally known as 185 Montauk Highway in Lindenhurst, New York (the “Facility”), all for use by the Applicant in its business of manufacturing, warehousing and distribution of hydrophobic coatings; and

WHEREAS, the Applicant submitted a preliminary Project Application (the “Project Application”) to the Agency to initiate the accomplishment of the above; and

WHEREAS, based upon further review of the Project Application, the Agency intends to determine whether financial assistance shall be provided by the Agency in order to induce the Applicant and Owner to proceed with the proposed Project; and

WHEREAS, the Applicant and Owner are obtaining and compiling all information necessary to allow the Agency to make such determination;

NOW, THEREFORE, BE IT RESOLVED by the Agency as follows:

Section 1. The proposed Project and the Facility would, if approved by the Agency, be in furtherance of the policy of fostering economic development in the Town in accordance with the Article 18-A and Section 907-a of the General Municipal Law of the State of New York.

Section 2. The officers of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to implement the provision of this resolution including compiling and reviewing requisite information to determine whether financial assistance shall be provided by the Agency for the proposed Project;

Section 3. Nothing herein shall be construed as committing the Agency to undertake or approve the Project or to provide financial assistance for the Project.

Section 4. Any expenses incurred by the Agency with respect to the proposed Project shall be paid by the Applicant. The Applicant will agree to pay such expenses and further will agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury

or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the proposed Project.

Section 5. This preliminary resolution shall take effect immediately.

PRELIMINARY INDUCEMENT RESOLUTION DATED MARCH 20, 2023

PRELIMINARY INDUCEMENT RESOLUTION OF THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY RELATING TO THE GRANTING OF PRELIMINARY APPROVAL TO VOGUE GROUP INC. AND 480 SMITH ST LLC IN CONNECTION WITH THE POTENTIAL GRANT OF CERTAIN FINANCIAL ASSISTANCE

WHEREAS, Vogue Group Inc. and its successors and assigns (the "Applicant") and 480 Smith St LLC and its successors and assigns (the "Owner") have preliminarily informed officials of the Agency about, and have expressed the desire to enter into negotiations with, officials of the Agency with respect to a project (the "Project") consisting of the acquisition, renovation and equipping of an approximately 15,000 square foot, manufacturing, warehouse and distribution facility, to be located on that certain approximately 1 acre lot, piece or parcel of land generally known as 480 Smith Street in Farmingdale, New York 11375 (the "Facility"), all for use by the Applicant in its business of manufacture, warehousing and distribution of fabric table covers, curtains, on-demand printed dye sublimation fabrics, fabrics for upholstery, crafts, apparel and fashion, backpacks; and

WHEREAS, the Applicant submitted a preliminary Project Application (the "Project Application") to the Agency to initiate the accomplishment of the above; and

WHEREAS, based upon further review of the Project Application, the Agency intends to determine whether financial assistance shall be provided by the Agency in order to induce the Applicant and Owner to proceed with the proposed Project; and

WHEREAS, the Applicant and Owner are obtaining and compiling all information necessary to allow the Agency to make such determination;

NOW, THEREFORE, BE IT RESOLVED by the Agency as follows:

Section 1. The proposed Project and the Facility would, if approved by the Agency, be in furtherance of the policy of fostering economic development in the Town in accordance with the Article 18-A and Section 907-a of the General Municipal Law of the State of New York.

Section 2. The officers of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to implement the provision of this resolution including compiling and reviewing requisite information to determine whether financial assistance shall be provided by the Agency for the proposed Project;

Section 3. Nothing herein shall be construed as committing the Agency to undertake or approve the Project or to provide financial assistance for the Project.

Section 4. Any expenses incurred by the Agency with respect to the proposed Project shall be paid by the Applicant. The Applicant will agree to pay such expenses and

further will agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the proposed Project.

Section 5. This preliminary resolution shall take effect immediately.