



AGENDA

August 17, 2022

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

Accept the minutes from the IDA/IDC Board Meeting of July 13, 2022.

5. **Resolution # 2**

Resolution giving preliminary approval of the Town of Babylon Industrial Development Agency to grant certain financial assistance to Dixon 145 Associates LLC, Jaxson LLC a/k/a Infinity Drain Ltd.

6. **Resolution # 3**

Resolution of the Town of Babylon Industrial Development Agency authorizing the chief executive officer to hold a public hearing regarding a proposed project to be undertaken for the benefit of P & M, LLC and Sefi Realty LLC.

7. **Resolution # 4**

Resolution authorizing the Town of Babylon Industrial Development Agency to execute a mortgage agreement between the Agency, 51 Executive Realty LLC and JPMorgan Chase Bank, N.A. in an amount not to exceed \$9,000,000.00.

8. Chief Executive Officer's report.
9. Old Business.
10. New Business.
11. Adjournment.

BABYLON INDUSTRIAL DEVELOPMENT AGENCY

IDA/IDC MEETING MINUTES

July 13, 2022

Present: Paulette Laborne, Secretary
William Celona
Rosemarie Dearing
William Bogardt
Marcus Duffin
Carol Quirk
Vincent Piccoli

Present-Virtual: Justin Belkin, Vice Chairman
(Non-voting)

Absent: Tom Gaulrapp, Chairman

Also Present: Thomas Dolan, Chief Executive Officer
Frank Dolan, Chief Operations Officer
David Batkiewicz, Special Projects Manager
Joseph Ninomiya, Special Projects Manager

A motion was made by Marcus Duffin and seconded by Carol Quirk to appoint Paulette Laborne chair for the meeting. All in favor, motion carries.

A quorum being present, the meeting was called to order at 8:03 A.M.

A motion was made by Marcus Duffin and seconded by Rosemarie Dearing to accept the minutes from the IDA/IDC Board Meeting of June 15, 2022. All in favor, motion carries.

A motion was made by Carol Quirk and seconded by William Celona in favor of a resolution of the Town of Babylon Industrial Development Agency authorizing the Chief Executive Officer to hold a public hearing regarding a proposed project to be undertaken for the benefit of Lin's Waha International Corp. and J & M Real Estate Lam's Group LLC. All in favor, motion carries.

CEO Report

Mr. Dolan stated that he had no additional items to speak about relating to IDA projects. Mr. Dolan said he wanted to take a moment to recognize the Agency's staff for helping to raise over \$10,000 for the annual Town of Babylon Soldier Ride. Mr. Dolan informed the Board that Councilman DuWayne Gregory recently appeared on the Agency's Economically Speaking podcast to talk about the event. Mr. Dolan than thanked the business community for supporting the Soldier Ride.

Old Business

No old business.

New Business

No new business.

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

RESOLUTION DATED AUGUST 17, 2022

RESOLUTION GIVING PRELIMINARY APPROVAL OF THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY TO GRANT CERTAIN FINANCIAL ASSISTANCE TO DIXON 145 ASSOCIATES LLC, JAXSON LLC A/K/A INFINITY DRAIN LTD.

WHEREAS, representatives of Jaxon LLC a/k/a Infinity Drain LTD a limited liability company existing under the laws of the State of New York (the “Company”) 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 construction and equipping of an approximately 18,780 square foot addition to an existing approximately 56,000 square foot building by 145 Dixon Associates LLC a limited liability company existing under the laws of the State of New York (the “Owner”), to be located on that certain lot, piece or parcel of land generally known as and located at 145 Dixon Avenue in Amityville, New York (the “Facility”), all for use by the Company as a manufacturing and distribution facility in its business of manufacturing and distribution of shower drains and related products in the plumbing industry; and

WHEREAS, in order to induce the Company to retain and grow additional jobs in the Town of Babylon (the “Town”), it appears necessary for the Agency to assist the Company and the Owner by taking or continuing to maintain 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, the Agency has heretofore provided financial assistance to the Company pursuant to prior straight lease transactions (as defined in the Act) with respect to the Company’s facilities located on 145 Dixon Avenue in Amityville, New York in 2015 which straight lease transaction was amended and restated as of April 1, 2018 and the Company and the Owner have requested that the Agency further amend and restate said straight lease transaction with respect to the Project; 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) the proposed project is likely to be completed in a timely fashion; and (E) 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 statement of the Company that the Project at the date of the Project

Application, is in substantial compliance with Article 18-A of the General Municipal Law of the State of New York (the "Act") including Section 862 thereof; 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, provision of aforesaid financial assistance with respect to the Facility is to be negotiated by the Chief Executive Officer ("CEO") or Chief Financial Officer ("CFO") of the Agency with the result of said negotiations to be presented to a future meeting of the Agency for final approval; and

WHEREAS, the Agency would like to now indicate its intention to provide financial assistance to the Company with respect to the Project and the Facility;

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

- Section 1. (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 real property tax abatements, sales and use tax abatements and mortgage recording tax abatements (collectively the "Financial Assistance") by the Agency with respect to the Project and 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 Company with respect to the Project and the Facility.
- Section 2. With respect to the Agency's evaluation criteria for Manufacturing, Warehousing and 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 Owner and the Company propose a capital investment in soft costs, the land, building, machinery and equipment and capital improvements in the Facility of approximately \$8,047,000.
- (c) The Project will not have significant impact from local labor construction in the Town.
- (d) Wage rates for the employees of the Company average \$287,500 per year for management positions, \$72,000 per year for professional positions, \$70,000 per year for administrative positions, \$80,000 per year for supervisor positions and \$41,600 per year for laborer positions, not including fringe benefits.

- (e) The Company has a positive impact on regional wealth creation due to the fact that a significant portion of the Company's product is sold and shipped outside of the Town and result in revenue inflows into the Town and the Long Island region due to taxes and municipal charges paid by the Owner and the Company to the Town and Suffolk County.
- (f) The Project will not have a significant effect on in-region purchases.
- (g) The Project includes the installation of solar equipment which will have a significant effect on energy efficiency.
- (h) The Project will not affect existing land use or zoning.
- (i) The Project is important to the retention of a significant employer of the Town. The Company currently employs 98 full-time employees and such employment is anticipated to increase to 110 full-time employees within two years of the completion of the Project. If the Company does not receive financial assistance from the Agency for the Project, the Company will need to relocate to a larger facility possibly out side of the Town and the Company is considering relocating its current operations to Pennsylvania, Nevada or South Carolina which would achieve substantial costs savings for the Company.

Section 3. The CEO or the CFO of the Agency is hereby authorized to negotiate the terms of agreements between the Agency and the Company which will permit the Company to enjoy the grant of Financial Assistance with respect to the Facility as herein provided.

Section 4. The CEO or the CFO of the Agency shall present substantially final forms of such agreements with the Company incorporating the grant of such Financial Assistance for final approval by the Agency at a future meeting of the Agency.

Section 5. The Agency will not grant any Financial Assistance to be granted hereunder in excess of \$100,000 to 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 6. In accordance with SEQRA, the Agency finds that this proposed action will not have any significant environmental impacts based upon the following:

- (a) The proposed action will not result in a substantial adverse change in existing air quality, traffic or noise levels.
- (b) The proposed action is consistent with existing zoning at the site of the Facility.

(c) The proposed action will not result in the impairment of the character or quality of important historical, archeological, architectural, or aesthetic resources or of existing community or neighborhood character.

(d) The proposed action will not result in the creation of a hazard to human health.

(e) No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 7. This resolution shall take effect immediately.

**RESOLUTION OF THE TOWN OF BABYLON
INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING
THE CHIEF EXECUTIVE OFFICER TO HOLD A PUBLIC
HEARING REGARDING A PROPOSED PROJECT TO BE
UNDERTAKEN FOR THE BENEFIT OF P & M, LLC AND
SEFI REALTY LLC.**

WHEREAS, the Town of Babylon Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 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 177 of the Laws of 1973 of New York, as amended, constituting Section 907-a 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, renovating, improving, maintaining, equipping and furnishing of, among others, manufacturing, warehousing, research, commercial or industrial facilities, 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 "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, P & M, LLC (the "Operating Company") and Sefi Realty LLC (the "Real Estate Holding Company"), on behalf of themselves and/or entities formed or to be formed on behalf of the foregoing, have submitted an application (the "Application") to the Agency, a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") on behalf of the Operating Company and the Real Estate Holding Company consisting of the following: (A)(1) the acquisition of an interest in approximately 0.84 acres of real estate located at 50 Ranick Drive East, Amityville (Tax Map #0101-004.00-01.00-031.000) in the Village of Amityville, Town of Babylon, Suffolk County, New York (the "Land"), the acquisition, renovation, reconstruction and construction of an existing approximately 16,400 square foot building into an approximately 20,400 square foot building located on the Land (the "Improvements"), and the acquisition and installation therein and thereon of certain equipment and personal property not part of the Equipment (as such term is defined herein) (the "Facility Equipment"; and, together with the Land and the Improvements, the "Company Facility"), which Company Facility is to be leased and subleased by the Agency to the Real Estate Holding Company and further subleased by the Real Estate Holding Company to the Operating Company; and (2) the acquisition and installation of certain equipment and personal property (the "Equipment", and together with the Company Facility, the "Facility"), which Facility will be used by the Operating Company for its business as a manufacturer of stainless steel equipment for the food service industry; (B) the granting of certain "financial assistance" (within the meaning of section 854(14) of the Act) with respect to the foregoing limited to potential

exemptions from certain sales and use taxes, transfer taxes, mortgage recording taxes (except as limited by Section 874 of the Act) and real property taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Company Facility to the Real Estate Holding Company or such other person as may be designated by the Real Estate Holding Company and agreed upon by the Agency and the lease (with an obligation to purchase) or sale of the Equipment to the Operating Company or such other person as may be designated by the Operating Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to comply with the public hearing and notice requirements contained in Section 859-a of the Act; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has not yet made a determination as to the potential environmental significance of the Project and therefore has not yet determined whether an environmental impact statement is required to be prepared with respect to the Project;

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

Section 1. The Agency hereby authorizes the Chairman, the Vice Chairman, the Chief Executive Officer (“CEO”) or the Chief Financial Officer of the Agency (each an “Authorized Representative”), after consultation with the members of the Agency and counsel to the Agency, (A) to establish the time, place and date for a public hearing of the Agency to hear all persons interested in the location and nature of the Facility and the proposed Financial Assistance being contemplated by the Agency with respect to the Project, said public hearing to be held, as appropriate, in the city, town or village where the Facility is or is to be located or remotely by conference call or similar service pursuant to Chapter 417 of the Laws of 2021 of New York State and Chapter 1 of the Laws of 2022 of New York State, if in effect at the time of such public hearing, permitting, among others, local public benefit corporations, including industrial development agencies, to hold public hearings by telephone and video conference and/or similar device; (B) to cause notice of such public hearing to be given to the public by publishing a notice of such hearing in a newspaper of general circulation available to the residents of the governmental units where the Facility is or is to be located, such notice and publication to comply with the requirements of Section 859-a of the Act; (C) to cause notice of said public hearing to be given to the chief executive officer of the county and each city, town, village and school district in which the Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such public hearing; and (E) to cause a report of said public hearing fairly summarizing the views presented at said public hearing to be

promptly prepared and cause copies of said report to be made available to the members of the Agency.

Section 2. The Agency hereby authorizes the CEO or any other Authorized Representative of the Agency, prior to the granting of any Financial Assistance with respect to the Project, if the Project involves the removal or abandonment of a facility or plant within the State, after consultation with counsel to the Agency, to cause any required notification by the Agency to the chief executive officer or officers of the municipality or municipalities in which such facility or plant was located, such notification to comply with the requirements of Section 874(5)(d) of the Act.

Section 3. The Authorized Representatives are each hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 4. Barclay Damon LLP is hereby appointed transaction counsel to the Agency with respect to all matters in connection with the Project. Transaction counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, Counsel to the Company, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the authorization of the transactions contemplated by this Resolution.

Section 5. This Resolution shall take effect immediately.

RESOLUTION AUTHORIZING THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY TO EXECUTE A MORTGAGE AGREEMENT BETWEEN THE AGENCY, 51 EXECUTIVE REALTY LLC AND JPMORGAN CHASE BANK, N.A. IN AN AMOUNT NOT TO EXCEED \$9,000,000.00.

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;

WHEREAS, the Agency and 51 EXECUTIVE REALTY LLC (the "Company") has prior to the date hereof entered into a Lease Agreement (the "Lease Agreement") dated October 21, 2011, a First Amendment to Lease Agreement dated December 31, 2012, Second Amendment to Lease Agreement dated April 26, 2016 and a Third Amendment to Lease Agreement dated January 31, 2018, pursuant to which the Agency and the Company agreed that the Company would receive the benefit of certain sales and use tax exemptions and certain real property tax exemptions in connection with the facility located at 51 Executive Boulevard, Farmingdale, New York 11735.

WHEREAS, the Company desires the Agency to execute a Mortgage Agreement between the Agency, 51 EXECUTIVE REALTY LLC and JPMORGAN CHASE BANK, N.A. in the principal sum not in excess of \$9,000,000.00.

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

Execution by the Agency of the Mortgage Agreement between the Agency, 51 EXECUTIVE REALTY LLC and JPMORGAN CHASE BANK, N.A. is hereby approved in a sum not to exceed \$9,000,000.00.

Section 1. Thomas E. Dolan, as Chief Executive Officer or any successor Chief Executive Officer (the "Chief Executive Officer") or any other Authorized Representative, is hereby authorized, on behalf of the Agency, to execute and deliver any other agreements or certificates consistent herewith or therewith (hereinafter collectively called the "Agency Documents"), all in form acceptable to the Chief Executive Officer and Counsel to the Agency, with such changes, variations, omissions, and insertions in the Agency Documents as the Chief Executive Officer or any other Authorized Representative of the Agency shall upon advice of counsel approve. The execution and delivery thereof by the Chief Executive Officer shall constitute conclusive evidence of such approval.

The Chief Executive Officer or any other Authorized Representatives are further hereby authorized, on behalf of the Agency, to designate any additional authorized

representatives including the Chairman and the 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 or Counsel to the Agency is hereby authorized to attest to the Chief Executive Officer'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 2. The Chief Executive Officer, the Chief Financial Officer, 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 herein 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 3. 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 4. 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 5. No covenant, stipulation, obligation or agreement contained in this resolution, or the Agency Documents shall be deemed to be 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 6. This resolution shall take effect immediately.