

RESOLUTION GRANTING APPROVAL OF AND AUTHORIZING THE GRANT OF CERTAIN FINANCIAL ASSISTANCE BY THE TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY TO EIGHT PATTON DEV LLC IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION, FURNISHING AND EQUIPPING OF AN AFFORDABLE MULTI-FAMILY COMMERCIAL RESIDENTIAL RENTAL HOUSING FACILITY 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 (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, New York (the "Town"); and

WHEREAS, the Town has undertaken multiple actions regarding the redevelopment of downtown Wyandanch including the designation of an Urban Renewal Area in downtown Wyandanch, the adoption of a blighted study, which was prepared by AKRF and is entitled "Blighted Study for the Wyandanch Area" dated May, 2007, and the adoption of a Nomination under the State of New York's Brownfield Opportunity Area Program due to severe blighted conditions within downtown Wyandanch. The Town by Resolution of the Town Board No. 424 dated June 25, 2008 (i) adopted the Blighted Study for the Wyandanch Area, (ii) designated an urban renewal area (the "**Downtown Wyandanch Urban Renewal Area**") in downtown Wyandanch as appropriate for urban renewal and (iii) authorized the Town Department of Planning and Economic Development and/or its agents to prepare or cause to be prepared an urban renewal plan. The Town by Resolution of the Town Board, dated May 22, 2009 adopted an Urban Renewal Plan for the Downtown Wyandanch Urban Renewal Area (the "**Plan**"); and

WHEREAS, to accomplish the purposes of the Act, and in accordance with the Plan, the Agency has entered into negotiations with representatives of Eight Patton Dev LLC, a New York limited liability company, on behalf of itself and/or the principals of Eight Patton Dev LLC, and/or any entity or entities formed on behalf of Eight Patton Dev LLC, or any other real estate holding company created in connection with the foregoing or any of the foregoing (collectively, the "**Company**") for the undertaking of a "project" within the meaning of the Act (the "**Project**") a commercial multi-family residential rental housing project consisting of (i) the acquisition of approximately 107,622 square feet of vacant land, (ii) the clearing of land thereon and (iii) the construction thereon of twenty-six (26) duplex buildings containing fifty-one (51) residential units, an approximately 65,000 square foot commercial multi-family residential rental housing facility ((ten (10) units (approximately ten percent (10%) of all units) set aside for workforce housing), to be located on that certain approximately 2.47 acre lot, piece or parcel of land located at 8 Patton Avenue, in Wyandanch, New York 11798 (the "**Land**") constituting a commercial facility under the Act, and the acquisition and installation of certain equipment, furnishings and personal property therefor (the "**Facility Equipment**"), all for use by the Company in its commercial residential multi-family rental housing business (the Land, Improvements, including construction, renovation and reconstruction thereof, and the Facility Equipment, collectively the "**Facility**"); and

WHEREAS, the Project and the Facility are an integral part of the effectuation of the Plan and the construction of the Facility is a key component of the Plan; 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, the Project is the subject of a Cost Benefit Analysis Substantiation of Need for Babylon IDA Financial Assistance prepared by Grow America and dated April 7, 2026 (the "**Grow America Study**") which provides in part that without financial assistance provided by the Agency the Project fails to demonstrate acceptable ratios for investors and lenders; and

WHEREAS, based upon the Project Application, the Agency hereby determines that Agency financial assistance and related benefits in the form of a straight-lease transaction between the Agency and the Company are necessary for the Company to undertake the Project; 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, the Company is in substantial compliance with the Act; and

WHEREAS, in order to induce such facilities within the Town and to foster the economic development contemplated by the Project and the Plan it appears necessary to assist the Company by taking leasehold title to the Facility so as to afford the Company certain relief from mortgage recording taxation, relief from real property taxation and relief from sales and use taxation for a limited period; and

WHEREAS, to facilitate the Project, the Agency and the Company have entered into negotiations to enter into a "straight lease transaction" within the meaning of the Act pursuant to which (i) the Company will lease or sublease the Land to the Agency pursuant to a Company Lease between the Company and the Agency (as the same may be amended or supplemented, the "**Company Lease**") and (ii) the Agency will undertake the Project and will sublease the Facility to the Company pursuant to a Lease and Project Agreement (the "**Lease Agreement**"), by and between the Company and the Agency pursuant to which the Company agrees, among other things, to make lease payments in such amounts as specified in the Lease Agreement; and

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

WHEREAS, it is desired that the Agency authorize the granting of certain financial assistance to the Company in connection with the Project including exemption from mortgage recording taxes, real property taxes and State and local 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 and Senior 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 long term impact on local labor in the Town but will result in approximately (i) sixty-five (65) full-time and one hundred and sixty-five (165) part time construction jobs for the first year of the construction period, (ii) sixty-five (65) full-time and twenty-five (25) part time construction jobs for the second and third year of the construction period.
- (c) The Project will include a capital investment of approximately \$22,470,000 with respect to the Facility.
- (d) The Town is in need of additional multi-family residential rental housing units and the Facility will provide multi-family residential rental housing.
- (e) The Facility is located in an area of the Town characterized by significant unemployment and economic distress.
- (f) The Town is in need of affordable workforce housing units and the Facility will provide affordable workforce housing.
- (g) The Project is in alignment with local planning and development efforts including the Plan and the Blighted Study for the Wyandanch Area.
- (h) The Project will result in ten (10) workforce housing units for families or individuals earning less than 80% of the Nassau-Suffolk adjusted median income pursuant to the Grow America Study.
- (i) The Project is located in an area that has inadequate affordable housing supply.
- (j) The Project is in an urban/town center location.
- (k) The Project has local officials' support.
- (l) The Project promotes transit oriented or walkable community areas.

- (m) The financial assistance to be provided by the Agency is a critical component of financing for the Facility to be provided by multiple sources.

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 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 the Financial Assistance to the Company with respect to the Project and 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 \$682,500 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 Land pursuant to the Company Lease, and will assist the Company to undertake the Project, and sublease the Land and Facility to the Company pursuant to the Lease Agreement.

Section 4. Pursuant to the Lease Agreement, the Company shall make certain payments in lieu of real property taxes substantially as described in the Project Application.

Section 5. In order to provide 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 will provide such exemption to the Company pursuant to the Lease Agreement and 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 to the Company with respect to the Project by one or more mortgage lenders acceptable to the Chief Executive Officer ("CEO") or the Chief Financial Officer ("CFO") of the Agency or any other Authorized Representative (herein defined) of the Agency, 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 Company 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. Keith Davies, as CEO or any successor CEO or any other Authorized Representative, is hereby authorized, on behalf of the Agency, to execute and deliver final forms of the Company Lease, the Lease Agreement, the Sales Tax Agent 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 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 the CFO of the Agency or any other Authorized Representatives 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 to the extent required by any Agency Document.

Section 10. The CEO, the CFO 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 and the Lease 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 11. 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 12. 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 13. 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 14. The law firm Katten Muchin Rosenman LLP is hereby appointed transaction counsel to the Agency for this transaction.

Section 15. Notwithstanding the foregoing, the Agency will not grant any Financial Assistance (as such term is defined in the Act) in excess of \$100,000 to the Company until the Agency has held a public hearing with respect to the Project in accordance with the provisions of the Act.

Section 16. The Town of Babylon Department of Planning and Development, as lead 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 adopted the findings of the Town of Babylon Department of Planning and Development with respect to the Facility and the Project as set forth in Exhibit A attached hereto which are incorporated by reference herein. The Agency hereby adopts such findings.

Section 17. This resolution shall take effect immediately.

EXHIBIT A

**THE TOWN OF BABYLON DEPARTMENT OF PLANNING AND DEVELOPMENT
NEGATIVE DECLARATION**

AUGUST 21, 2026

TOWN OF BABYLON DEPARTMENT OF PLANNING AND DEVELOPMENT
ENVIRONMENTAL DETERMINATION DOWNTOWN WYANDANCH (DW)
APPLICATION OF EIGHT PATTON DEV., LLC, HPLN-83/JOB #25-35DW FOR
THE PREMISES IDENTIFIED BY SCTM#: 0100-079-03-039, 040, 041, 042, 043,
& 044 LOCATED ON THE S/W/C/O PATTON AVE AND STRAIGHT PATH,
WYANDANCH, NEW YORK

WHEREAS, Eight Patton Dev., LLC has applied to the Town of Babylon Department of Planning and Development for the construction of 26 buildings (25 duplexes, 1 single unit) for a total of 51 two-bedroom units, along with associated site improvements on a 102,412 sf parcel zoned Wyandanch FBC T3, located on the southwest corner of Patton Ave and Straight Path, Wyandanch, NY; and

WHEREAS, the Department of Planning and Development (Planning Commissioner) hereby declares its intent to be the lead agency for the development proposal by Eight Patton Dev., LLC 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 Department of Planning and Development of the Town of Babylon in its responsibilities under SEQRA and TOBEQRA; and

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

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

WHEREAS, the Commissioner of the Department of Planning and Development of the Town of Babylon has classified the proposal as an Unlisted Action with a coordinated review having been conducted; and

WHEREAS, that the Commissioner of the Department of Planning and Development of the Town of Babylon hereby independently determines the following:

1. The proposed development is being simultaneously reviewed with the adjacent development (HPLN-82) under different ownership. The project will not result in a substantial adverse change in existing air quality, noise, or solid waste production.
2. A Stormwater Pollution Prevention Plan (SWPPP) has been prepared for the development of the site. Actions outlined in the SWPPP will mitigate potential environmental impacts from stormwater during the construction and post construction.
3. The development will be connected to the Wyandanch Sewer District for wastewater disposal. No adverse impacts to groundwater resources will result from this project.
4. A Phase I Environmental Site Assessment Report was conducted by Middleton Environmental Inc., dated February 28, 2025. The project site does not contain any potential contamination.
5. A Traffic Assessment was prepared by R&M Engineering dated February 10, 2026 for the proposed development. The Traffic Assessment determined that the project will not result in a substantial adverse change in traffic.
6. The project site does not contain any sensitive cultural or environmental resources.
7. The proposed action will not: (a) undermine, weaken or deprive of support other lands in the vicinity; (b) adversely affect any waterway in the Town or adjacent to Town land, and the lands abutting thereon; (c) substantially change the course of any channel or natural movement or flow of any water; or (d) substantially accelerate the drift of any underwater soil, sand, gravel, bog or mud.
8. The proposed action will not create a material conflict with the Town's current plans or goals as officially approved or adopted.
9. The proposed action will not otherwise significantly affect the general health, safety or welfare of the Town of Babylon or its residents.

NOW, THEREFORE, BE IT RESOLVED that the Commissioner of the Department of Planning and Development of the Town of Babylon as lead agency hereby determines that the proposal by Eight Patton Dev., LLC will not have a significant adverse impact on the environment.

AND FURTHER, be it

RESOLVED, that based upon the foregoing determination, the Commissioner of the Department of Planning and Development of the Town of Babylon hereby adopts a NEGATIVE DECLARATION, as required by the SEQRA AND TOBEQRA.

Adopted by the Town of Babylon Department of Planning and Development

8/21/24 Date

Signature

Denise Graziano

Denise Graziano, Commissioner of Planning and Development
