

Date: November 23, 2020

At a meeting of the Town of Hempstead Industrial Development Agency (the “Agency”), held electronically via conference call on the 23rd day of November, 2020, the following members of the Agency were:

Present: Florestano Girardi, Chairman
James G. Marsh, Esq., Vice-Chairman
Rev. Dr. Eric C. Mallette, Treasurer
Jack Majkut, Secretary
Cherice P. Vanderhall, Member
~~Robert F. Bedford, Member~~

Recused:

Absent: *Robert Bedford, Member*

Also Present: Frederick E. Parola, Chief Executive Officer
Edie Longo, Chief Financial Officer
Michael Lodato, Deputy Executive Director
Arlyn Eames, Deputy Financial Officer
Laura Tomeo, Deputy Agency Administrator
John Ryan, Esq., Agency Counsel
William F. Weir, Esq., Transaction Counsel

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of a leasehold interest in a certain industrial development facility more particularly described herein (Prosperity Avenue Holdings LLC/Paul’s Auto Collision, Inc. 2020 Facility), and the leasing of the Facility to Prosperity Avenue Holdings LLC, for further subleasing to Paul’s Auto Collision, Inc.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

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Voting Nay

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RESOLUTION OF THE TOWN OF HEMPSTEAD INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD APPOINTING PROSPERITY AVENUE HOLDINGS LLC, A NEW YORK LIMITED LIABILITY COMPANY, ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF PROSPERITY AVENUE HOLDINGS LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AND PAUL'S AUTO COLLISION, INC., A NEW YORK BUSINESS CORPORATION ON BEHALF OF ITSELF AND/OR THE PRINCIPALS OF PAUL'S AUTO COLLISION, INC. AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING, AS AGENT(S) OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING THE FACILITY AND MAKING CERTAIN FINDINGS AND DETERMINATIONS WITH RESPECT TO THE FACILITY

WHEREAS, Prosperity Avenue Holdings LLC, a limited liability company organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Prosperity Avenue Holdings LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**") and Paul's Auto Collision, Inc., a business corporation organized and existing under the laws of the State of New York, on behalf of itself and/or the principals of Paul's Auto Collision, Inc. and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Sublessee**"), have applied to the Town of Hempstead Industrial Development Agency (the "**Agency**"), to enter into a transaction in which the Agency will assist in the acquisition of an approximately 0.3677 acre parcel of land located at 585 Commercial Avenue, Garden City, New York 11530 (the "**Land**"), the renovation of an approximately 11,900 square foot building located on the Land (the "**Improvements**"), and the acquisition and installation therein of certain equipment and personal property (the "**Equipment**"); and together with the Land and the Improvements, the "**Facility**"), which Facility is to be leased by the Agency to the Company and subleased by the Company to the Sublessee and used by the Sublessee in its business as a provider of wholesale automobile collision and repair services for automobiles delivered from other collision repair servicers, as well as classroom/vocational training space and back office support (the "**Project**"); and

WHEREAS, the Agency will acquire a leasehold interest in the Land and the Improvements and title to the Equipment, will sublease and lease the Facility to the Company for further sublease to the Sublessee, all pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 529 of the Laws of 1971 of the State of New York, as the same may be amended from time to time (collectively, the "**Act**"); and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company and the Sublessee in connection with the Facility, consistent with the policies of the Agency, in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes and abatement of real property taxes, all to be more particularly described in a Final Authorizing

Resolution to be adopted by the Agency prior to the closing of the transactions described herein; and

WHEREAS, as of the date of this resolution, no determination for financial assistance has been made; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, prior to the date of the Hearing (defined below), the Agency will have prepared a cost/benefit analysis with respect to the proposed financial assistance; and

WHEREAS, prior to the closing of the transaction described herein, a public hearing (the “**Hearing**”) will be held so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility can be heard; and

WHEREAS, notice of the Hearing will be given prior to the closing of the transaction described herein, and such notice (together with proof of publication) will be substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing will be annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the application of the Company and the Sublessee and to representations by the Company and the Sublessee that the proposed financial assistance is either an inducement to the Company and the Sublessee to maintain the Facility in the Town of Hempstead or is necessary to maintain the competitive position of the Company and the Sublessee in their respective industries; and

WHEREAS, the Company and the Sublessee will agree to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company and the Sublessee.

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the “**SEQR Act**” or “**SEQR**”), the Agency constitutes a “State Agency”; and

WHEREAS, to aid the Agency in determining whether the Facility may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form and related documents (the “**Questionnaire**”) with respect to the Facility, a copy of which is on file at the office of the Agency; and

WHEREAS, the Questionnaire has been reviewed by the Agency.

NOW, THEREFORE, BE IT RESOLVED by the Town of Hempstead Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

Section 1. Based upon the Environmental Assessment Form completed by the Company and reviewed by the Agency and other representations and information furnished by the Company regarding the Facility, the Agency determines that the action relating to the acquiring, renovation, equipping, and operation of the Facility is an “Unlisted” Action, as that term is defined in the SEQR Act. The Agency also determines that the action will not have a “significant effect” on the environment, and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman or Chief Executive Officer of the Agency or counsel to the Agency.

Section 2. The acquisition, renovation and equipping of the Facility by the Agency, the subleasing and leasing of the Facility to the Company for further subleasing to the Sublessee and the provision of financial assistance pursuant to the Act will promote job opportunities, health, general prosperity and the economic welfare of the inhabitants of the Town of Hempstead and the people of the State of New York and improve their standard of living, and thereby serve the public purposes of the Act, and the same is, therefore, approved.

Section 3. Subject to the provisions of this resolution, the Agency shall (i) acquire, renovate and equip the Facility; and (ii) lease and sublease the Facility to the Company for further sublease to the Sublessee.

Section 4. The Company and the Sublessee are hereby notified that they will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease and Project Agreement, dated a date to be determined (the “**Lease Agreement**”), by and between the Company and the Agency. The Sublessee shall be required to agree to the terms of Section 875 pursuant to the Agency Compliance Agreement, dated a date to be determined (the “**Agency Compliance Agreement**”), by and between the Sublessee and the Agency. The Company and the Sublessee are further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company and the Sublessee as agents of the Agency pursuant to this resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement and the Agency Compliance Agreement.

Section 5. Counsel to the Agency is authorized and directed to work with Transaction Counsel (Nixon Peabody LLP) to prepare, for submission to the Agency, all documents necessary to affect the transfer of the real estate described in the foregoing resolution.

Section 6. The Chairman, the Chief Executive Officer, the Deputy Executive Director and Chief Financial Officer and all members of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and the Sublessee, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 7. Any expenses incurred by the Agency with respect to the Facility, including the expenses of Transaction Counsel, shall be paid by the Company and the Sublessee. The Company and the Sublessee agree to pay such expenses and further 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 Facility.

Section 8. This resolution shall take effect immediately.

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

We, the undersigned Chief Executive Officer and Chairman of the Town of Hempstead Industrial Development Agency, DO HEREBY CERTIFY THAT:


We have compared the foregoing copy of a resolution of the Town of Hempstead Industrial Development Agency (the "Agency") with the original thereof on file in the office of the Agency, and the same is a true and correct copy of such resolution and of the proceedings of the Agency in connection with such matter.


Such resolution was passed at a meeting of the Agency duly convened in public session on November 23, 2020, electronically via conference call.

The Application is in substantially the form presented to and approved at such meeting.

WE FURTHER CERTIFY that (i) all members of the Agency had due notice of said meeting, pursuant to Sections 103a and 104 of the Public Officers Law (Open Meetings Law), (ii) said meeting was open to the general public and public notice of the time and place of said meeting was duly given in accordance with such Sections 103a and 104, (iii) the meeting in all respects was duly held, and (iv) there was a quorum present throughout.

IN WITNESS WHEREOF, we have hereunto set our hands as of November 23, 2020.

By: 
Frederick E. Parola
Chief Executive Officer

By: 
Florestano Girardi
Chairman