

Date: February 24, 2022

At a meeting of the Town of Hempstead Industrial Development Agency (the “Agency”), held at Town Hall Pavilion, 1 Washington Street, Hempstead, New York 11550 on the 24th day of February, 2022, the following members of the Agency were:

Present: Florestano Girardi, Chairman
Rev. Dr. Eric C. Mallette, Treasurer
Jack Majkut, Secretary
Jerry Kornbluth, Ph.D, Member
Jill Mollitor, Member

Recused:

Absent: Thomas J. Grech, Vice Chairman
Robert F. Bedford, Member
Edie Longo, Chief Financial Officer
Janani Rhoads, Agency Administrator

Also Present: Frederick E. Parola, Chief Executive Officer
Michael Lodato, Deputy Executive Director
Arlyn Eames, Deputy Financial Officer
Laura Tomeo, Deputy Agency Administrator
~~Lorraine Rhoads, 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 (PGD Baldwin Commons, LLC 2021 Facility), and the leasing of the Facility to PGD Baldwin Commons, LLC.

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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AMENDED RESOLUTION OF THE TOWN OF HEMPSTEAD
INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL
ACTION TOWARD APPOINTING PGD BALDWIN
COMMONS, LLC, A NEW YORK LIMITED LIABILITY
COMPANY, ON BEHALF OF ITSELF AND/OR THE
PRINCIPALS OF PGD BALDWIN COMMONS, LLC AND/OR
AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF
ANY OF THE FOREGOING AS AGENT OF THE AGENCY
FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING AND
EQUIPPING THE FACILITY AND MAKING CERTAIN
FINDINGS AND DETERMINATIONS WITH RESPECT TO
THE FACILITY

WHEREAS, PGD Baldwin Commons, LLC, a New York limited liability company, on behalf of itself and/or the principals of PGD Baldwin Commons, LLC and/or an entity formed or to be formed on behalf of the foregoing (collectively, the “**Company**”), submitted its application for financial assistance (the “**Application**”) 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 0.50 acre parcel of land located at 785 Merrick Road, Baldwin, New York 11510 (the “**Land**”), the demolition of an existing approximately 3,200 square foot building thereon, the construction of an approximately 32,504 square foot, four-story rental apartment building thereon, with approximately 33 rental units, (the proposed 33 apartments will include 27 one-bedroom units and 6 two-bedroom units), along with office space to be leased to future tenants to be determined, a community room and a fitness room (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 used by the Company as a mixed use rental apartment complex with all units marketed to households earning up to sixty percent (60%) Area Median Income, including ten percent (10%) designed as fully accessible and four percent (4%) designed for the hearing and visually impaired (the “**Project**”); and

WHEREAS, on October 21, 2021, the Agency adopted an Inducement Resolution (the “**Original Inducement Resolution**”) in which it appointed the Lessee and the Company as agents of the Agency to acquire, construct and equip the Facility; and

WHEREAS, the contemplated benefits have changed since the Original Inducement Resolution was passed, and the board hereby ratifies the existing inducement notwithstanding the change in benefits; 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, 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 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 an Amended Final Authorizing Resolution to be adopted by the Agency prior to the closing of the transactions described herein; 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 request for 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 amended application of the Company and to representations by the Company that the proposed financial assistance is either an inducement to the Company to maintain the Facility in the Town of Hempstead or is necessary to maintain the competitive position of the Company in its respective industry; and

WHEREAS, the Company 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

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

Section 1. In connection with the acquisition, demolition, construction and equipping of the Facility the Agency hereby makes the following determinations and findings based upon the Agency’s review of the information provided by the Company with respect to the Facility, including, the Company’s Application, the Requisite Materials (as defined in the Original Inducement) and other public information:

- (a) There is a lack of affordable, safe, clean and modern rental housing in the Town of Hempstead, Nassau County;
- (b) Such lack of rental housing has resulted in individuals leaving the Town of Hempstead and therefore adversely affecting employers, businesses, retailers, banks, financial institutions, insurance companies, health and legal services providers and other merchants in the Town of Hempstead and otherwise adversely impacting the economic health and well-being of the residents of the Town of Hempstead, employers, and the tax base of the Town of Hempstead;
- (c) The Facility, by providing such rental housing will enable persons to remain in the Town of Hempstead and thereby to support the businesses, retailers, banks, and other financial institutions, insurance companies, health care and legal services providers and other merchants in the Town of Hempstead which will increase the economic health and well-being of the residents of the Town of

Hempstead, help preserve and increase permanent private sector jobs in furtherance of the Agency's public purposes as set forth in the Act, and therefore the Agency finds and determines that the Facility is a commercial project within the meaning of Section 854(4) of the Act;

- (d) The Facility will provide services, i.e., rental housing, which but for the Facility, would not otherwise be reasonably accessible to the residents of the Town of Hempstead.

Section 2. The acquisition, demolition, construction and equipping of the Facility by the Agency, the subleasing and leasing of the Facility to the Company 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, demolish, construct and equip the Facility; and (ii) lease and sublease the Facility to the Company.

Section 4. The Company is hereby notified that it 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 Company is further notified that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company as agent 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.

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 (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. The Company agrees 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. The Agency may publish a notice of a Public Hearing and conduct a public hearing with respect to the location and nature of the Project and the economic benefits, if

any, to be granted by the Agency to the Company, in accordance with the provisions of Section 859-a of the Act.

Section 9. This resolution shall take effect immediately.

Section 10. All findings, determinations, and resolutions set forth in the Original Inducement are hereby ratified and confirmed except as specifically modified hereby.


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:

That we have compared the annexed extract of the minutes of the meeting of the Town of Hempstead Industrial Development Agency (the “Agency”), including the resolutions contained therein, held on February 24, 2022, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

WE FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was all respects duly held.

IN WITNESS WHEREOF, we have hereunto set our hands as of the 24th day of February, 2022.

By: 
Frederick E. Parola
Chief Executive Officer


By: 
Florestano Girardi
Chairman

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a supplemental public hearing pursuant to Title 1 of Article 18-A of the New York State General Municipal Law will be held by the Town of Hempstead Industrial Development Agency (“the **Agency**”) on the ___ day of March, 2022, at _____ a.m., local time, at 350 Front Street 2nd Floor, Hempstead, New York in connection with the following matters:

PGD Baldwin Commons, LLC, a New York limited liability company, on behalf of itself and/or the principals of PGD Baldwin Commons, LLC and/or an entity formed or to be formed on behalf of the foregoing (collectively, the “**Company**”), submitted its application for financial assistance (the “**Application**”) 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 0.50 acre parcel of land located at 785 Merrick Road, Baldwin, New York 11510 (the “**Land**”), the demolition of an existing approximately 3,200 square foot building thereon, the construction of an approximately 32,504 square foot, four-story rental apartment building thereon, with approximately 33 rental units, (the proposed 33 apartments will include 27 one-bedroom units and 6 two-bedroom units), along with office space to be leased to future tenants to be determined, a community room and a fitness room (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 used by the Company as a mixed use rental apartment complex with all units marketed to households earning up to sixty percent (60%) Area Median Income, including ten percent (10%) designed as fully accessible and four percent (4%) designed for the hearing and visually impaired (the “**Project**”). The Facility will be initially owned, operated and/or managed by the Company.

The Facility will be leased by the Company to the Agency pursuant to a certain Company Lease and will be subleased by the Agency to the Company pursuant to a certain Lease and Project Agreement.

The Agency contemplates that it will provide financial assistance to the Company 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, consistent with the policies and resolutions of the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the proposed grant of financial assistance to the Company by the Agency or the location or nature of the Facility. Prior to the hearing, all persons will have the opportunity to review on the Agency’s website (<https://tohida.org/>) the application for financial assistance filed by the Company with the Agency and an analysis of the costs and benefits of the construction and on-going operation of the proposed Facility.

Dated: March __, 2022

TOWN OF HEMPSTEAD INDUSTRIAL
DEVELOPMENT AGENCY

By: Frederick E. Parola
Title: Chief Executive Officer

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
MARCH __, 2022 at _____ A.M.