

MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
HELD AT THE 110 WILLIAM STREET OFFICES OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
DECEMBER 12, 2017

The following directors and alternates were present, constituting a quorum:

James Patchett, Chairman
Brian Cook, alternate for Scott M. Stringer,
Comptroller of The City of New York
Albert De Leon
Barry Dinerstein, alternate for Marisa Lago
the Chair of the City Planning Commission of The City of New York
Kevin Doyle
Andrea Feirstein
Anthony Ferreri
James McSpiritt, alternate for Zachary W. Carter, Esq.,
Corporation Counsel of The City of New York
Jacques-Philippe Piverger
Carl Rodrigues, alternate for Alicia Glen,
Deputy Mayor for Housing and Economic Development of The City of New York
Shanel Thomas

The following directors were not present:

Marlene Cintron
Robert Santos

Also present were (1) members of New York City Economic Development Corporation (“NYCEDC”) staff and interns, (2) Scott Singer from Nixon Peabody LLP, (3) Arthur Cohen from Hawkins Delafield & Wood LLP, (4) Patricia Mollica from Katten Muchin Rosenman LLP, (5) Seth Bryant from Bryant Rabbino LLP and (6) other members of the public.

James Patchett, President of NYCEDC and Chairman of the New York City Industrial Development Agency (the “Agency” or “NYCIDA”), convened the meeting of the Board of Directors of NYCIDA at 9:00 a.m., at which point a quorum was present.

1. Adoption of the Minutes of the November 8, 2017 Board of Directors Meeting

Mr. Patchett asked if there were any comments or questions relating to the minutes of the November 8, 2017 Board of Directors meeting. There were no comments or questions; a motion to approve such minutes was made, seconded and unanimously approved.

2. Financial Statements for October 31, 2017 (Unaudited)

Carol Ann Butler, Assistant Vice President of NYCEDC, presented the Agency's Financial Statements for the four-month period ending October 31, 2017 (Unaudited). Ms. Butler reported the following. For the month of October, the Agency recognized revenues in the amount of \$887,000, which came from project finance fees from three transactions. The Agency recognized revenues derived from compliance, application, post-closing, recapture and termination fees in the amount of \$717,000 for the year-to-date. The Agency recognized operating expenses, largely consisting of the monthly management fee, in the amount of \$1,100,000 for the four-month period ending October 31st. The Agency spent \$1,100,000 in special costs related to the Futureworks NYC program.

3. DMFYD LIC LLC

Edgar Avalos, a Project Manager for NYCEDC, presented for review and adoption an Industrial Incentive Program inducement and authorization resolution for the benefit of DMFYD LIC LLC ("DMFYD") and recommended the adoption of a SEQRA negative declaration that the project would not have a significant adverse effect on the environment. Mr. Avalos described the project and its benefits, as reflected in Exhibit A.

In response to questions from Mr. Piverger, Mr. Avalos stated that the projected 125 employees would be employed by the tenants of DMFYD and that DMFYD would be leasing space to tenants at market rate. Anne Shutkin, Vice President of NYCEDC and Executive Director of the Agency, stated that the amount of space to be leased is between 2,500 and 5,000 square feet, which is smaller than what is commonly available in the current real estate market making the space more accessible and desirable to smaller companies who have difficulty locating and affording appropriate space. Mr. Avalos added that while the rents will not necessarily be cheaper than the market rate, the leases will not be long term, which is another factor that makes the space more accessible to more tenants. Ms. Shutkin stated that to the project may remind board members of past Agency projects with developers like GMDC that also involve creating space for small industrial tenants. Unlike those projects that specifically included a below-market rental component, this one will charge market rates, but is expected to be able to maintain that for leases of this type in part because of the subsidy from the 3rd floor office rent, and partially a result of the benefits provided by the Agency. Mr. Patchett stated that the Agency amended the Agency's Uniform Tax Exemption Policy ("UTEPP") at the June 13, 2017 Board meeting to allow the Agency to structure projects that provide benefits to developers in an effort to make more industrial properties available to companies who lack the space to operate in the City. Mr. Patchett stated that this is a relatively new

project model for the Agency that may require adjustments but that the Agency should encourage this type of development because there's not enough industrial space in the City and businesses are getting pushed out. In response to a question from Mr. Cook, Mr. Avalos stated that the actual number of building service employees is not currently known, but that Agency staff is in talks with the company about applying prevailing wage and offering certain other benefits to these employees. Ms. Shutkin added that after discussing the issue with Agency staff, the company is committed to paying a prevailing wage to building service employees regardless of whether or not the company would otherwise be obligated to do so. In response to another question from Mr. Cook, Krishna Omolade, a Senior Project Manager for NYCEDC, stated that Agency staff determined there is a demand for industrial space in Queens, especially in Long Island City, which has experienced a lot of residential and commercial office development. Mr. Omolade stated that there are many industrial companies in Long Island City that are seeking this type of space, as well as companies in other parts of the City that are being priced out of the market.

There being no further comments or questions, a motion to approve the inducement and authorization resolution and SEQRA determination attached hereto as Exhibit B for the benefit of DMFYD LIC LLC was made, seconded and unanimously approved.

4. IKEA Holdings US, Inc.

Mr. Omolade presented for review and adoption an Industrial Incentive Program inducement and authorization resolution for the benefit of IKEA Holdings US, Inc. ("IKEA") and recommended the Board adopt a SEQRA determination that the proposed project is a Type II action and therefore no further environmental review is required. Mr. Omolade also requested that the Board approve a waiver of its public hearing notice policy. Mr. Omolade then described the project and its benefits, as reflected in Exhibit C.

In response to a question from Mr. Cook, Mr. Omolade stated that the company felt it urgently needed Board approval because of their timetable for procuring site control for their project. Mr. Omolade stated that the company submitted a late application and the Agency held a public hearing that was within the New York State Open Meetings Law and Authorities Budget Office statutory timelines but was not within the 30-day timeline as per the Agency's policy. In response to a question from Mr. Ferreri, Mr. Patchett stated the project was just pulled from the last Board meeting because Agency staff did not finalize negotiations with IKEA about the financial terms of the transaction, but that Agency staff are in continuing conversations with IKEA and want to get the best deal for the citizens of the City. Mr. Patchett added that Agency staff are especially happy about IKEA's commitment to hire locally in the west shore area of Staten Island, where it is common for New Jersey residents to apply for jobs, and so the Staten Island borough president and the local community are focused on ensuring that these jobs will go to citizens of the City. Mr. Patchett added further that this project is a relatively affordable package from the City's perspective and gets IKEA to commit to hiring locally while bringing it into the City's oversight—a worthwhile effort—and that Agency staff are excited to see IKEA expanding in the City. Mr. Ferreri gave his support for the project, stating

that Staten Island needs the jobs and many residents would be interested in applying for work at IKEA. Mr. Patchett agreed, stating that creating this many jobs on Staten Island is a big deal and not that common.

There being no further comments or questions, a motion to approve the inducement and authorization resolution, SEQRA determination and waiver of the Agency's policy with respect to public notice requirement attached hereto as Exhibit D for the benefit of IKEA Holdings US, Inc. was made, seconded and unanimously approved.

5. Trinity Group Holdings LLC

Emily Marcus, a Project Manager for NYCEDC, presented for review and adoption an Industrial Incentive Program inducement and authorization resolution for the benefit of Trinity Group Holdings LLC and recommended the adoption of a SEQRA negative declaration that the project would not have a significant adverse effect on the environment. Ms. Marcus described the project and its benefits, as reflected in Exhibit E.

In response to a question from Mr. McSpiritt, Mr. Omolade stated that the company utilizes water as its main form of transport, but also uses rail for both sending and receiving materials.

There being no further comments or questions, a motion to approve the inducement and authorization resolution and SEQRA determination attached hereto as Exhibit F for the benefit of Trinity Group Holdings LLC was made, seconded and unanimously approved.

6. Grimm Ales LLC

Mac Thayer, an Assistant Vice President for NYCEDC, presented for review and adoption an Industrial Incentive Program authorization resolution for the benefit of Grimm Ales LLC. Mr. Thayer described the project and its benefits, as reflected in Exhibit G.

In response to a question from Mr. De Leon, Mr. Thayer stated that approval of this project would allow the company to brew its beer in New York City. In response to a question from Mr. Dinerstein, Mr. Thayer stated that the company would have an approximately 700 square foot retail tavern in the facility.

There being no further comments or questions, a motion to approve the authorization resolution attached hereto as Exhibit H for the benefit of Grimm Ales LLC was made, seconded and unanimously approved.

7. Western Beef Retail, Inc.

Ms. Marcus presented for review and adoption an Industrial Incentive Program amendment to, and restatement of, an authorization resolution for the benefit of Western Beef

Retail, Inc. Ms. Marcus described the project and its benefits, as reflected in Exhibit I.

There being no comments or questions, a motion to approve the amended, and restated, authorization resolution attached hereto as Exhibit J for the benefit of Western Beef Retail, Inc. was made, seconded and unanimously approved.

8. Rapid Processing, LLC

Brandon Baylor, a Project Manager for NYCEDC, presented for review and adoption a post-closing resolution to approve amendments to the project documents necessary for an asset sale to GPB Waste NY, LLC for the benefit of Rapid Processing, LLC. Mr. Baylor described the project and its benefits, as reflected in Exhibit K.

There being no comments or questions, a motion to approve the post-closing resolution attached hereto as Exhibit L for the benefit of Rapid Processing, LLC was made, seconded and unanimously approved.

9. Adjournment

There being no further business to come before the Board of Directors at the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Board of Directors was adjourned at 9:31 a.m.

Oritha Hansen
Assistant Secretary

Dated: 2/1/2018
New York, New York

Exhibit A

Project Summary

DMFYD LIC LLC, a New York limited liability company (the “Company”) seeks financial assistance in connection with the construction and development of a three story, approximately 86,234 square foot facility (the “Facility”) on an approximately 42,521 square foot parcel of land located at 9-03 44th Road, Long Island City, New York, 11101 (the “Project”). The Facility is owned by JMK Realty, Family Limited Partnership (“JMK”), a New York limited partnership, and will be leased by JMK to the Company. The Company intends to sub-lease the Facility to approximately 30 small businesses with space ranging from 2,200 square feet to 5,300 square feet. It is anticipated that the total Project cost will be approximately \$31,215,961. Based on a review of the Project, Agency staff has concluded that the Project is likely to be completed within two years of the closing date.

Project Location

9-03 44th Road
Long Island City, New York 11101

Actions Requested

- Inducement and Authorizing Resolution for an Industrial Program transaction.
- Adopt a negative declaration for this project. The proposed project will not have a significant adverse effect on the environment.

Anticipated Closing

December 2017

Impact Summary

Employment	
Jobs at Application:	0
Jobs to be Created at Project Location (Year 3):	125
Total Jobs (full-time equivalents)	125
Projected Average Hourly Wage (excluding principals)	\$35.00
Highest Wage / Lowest Wage	\$95.00 / \$15.00

Estimated City Tax Revenues	
Impact of Operations (NPV 25 years at 6.25%)	\$10,615,014
One-Time Impact of Renovation	\$220,027
Total impact of operations and renovation	\$10,835,041

Estimated Cost of Benefits Requested: New York City	
Building Tax Exemption (NPV, 25 years)	\$4,726,242
Land Tax Abatement (NPV, 25 years)	\$2,428,988
MRT Benefit	\$380,445
Sales Tax Exemption	\$526,231
Agency Financing Fee	\$(213,090)
Total Value of Benefits provided by Agency	\$7,848,816
Available As-of-Right Benefits (ICAP)	\$3,560,561
Agency Benefits In Excess of As-of-Right Benefits	\$4,288,255

DMFYD LIC LLC

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$86,680
Estimated City Tax Revenue per Job	\$69,084

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$275,091
Sales Tax Exemption	\$511,614
Total Cost to NYS	\$786,705

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Commercial Loans	\$23,411,971	75%
Equity	\$7,803,990	25%
Total	\$31,215,961	100%

Uses	Total Amount	Percent of Total Costs
Land Costs	\$7,031,448	22.5%
Construction Hard Costs	\$17,229,797	55.2%
Construction Soft Costs	\$2,443,343	7.8%
Fixed Tenant Improvements	\$917,708	3.0%
Fees	\$3,593,665	11.5%
Total	\$31,215,961	100%

Fees

	Paid At Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	\$213,090	
Project Counsel	Hourly	
Annual Agency Fee	1,250	2,284
Total	214,340	2,284
Total Fees	\$216,624	

Financing and Benefits Summary

The Company will finance the Project using a commercial loan (the "Loan") of \$23,411,971 from WhiteStar Advisors, LLC to be secured in part by a leasehold mortgage on the Facility. Additionally, the Company will contribute approximately \$7,803,990 in Company equity to finance the Project. The Loan will have an initial 24-month term with a 9.95% annual interest rate. The financial assistance proposed to be conferred by the Agency will consist of payments in lieu of City real property taxes, exemption from City and State mortgage recording taxes and exemption from City and State sales and use taxes. The Company is expected to have a debt service coverage ratio at commencement of operations of 1.31x.

Company Performance and Projections

Under the management of the Company, the Project is anticipated to provide high quality, affordable industrial and commercial rental space to tenants who have been priced out of more expensive markets in Manhattan and elsewhere. The Project will allow for a combination of various companies to lease space in the Long Island City area

DMFYD LIC LLC

on 85,000 square feet of land that is currently vacant. At full capacity, the Facility is expected to house 25 to 30 tenants engaged in light manufacturing, high-end technology office work, and industrial activities. The Project aligns with the City's policy of attracting and retaining industrial tenants, and is also expected to help generate 136 construction jobs.

Inducement

- I. The financial assistance to be provided by the Agency would enable the Company to set rents at more affordable levels to attract and retain industrial tenants.
- II. The Project would not be financially viable without Agency benefits.

UTEP Considerations

The Agency finds that the Project meets one or more considerations from Section I-B of the Agency's Uniform Tax Exemption Policy ("UTEP"), including the following:

- I. Financial assistance is required to induce the Project.
- II. The Project is likely to be completed in a timely manner.
- III. The Project will create additional sources of revenue for the City.

Applicant Summary

The Company is a real-estate LLC entity, the members of which are BFP 90344 LLC (owned by Scott Barone), MATT LIC LLC (owned by Michael DeSousa), JS LIC LLC (owned by John Silvano) and MPP LIC Dream LLC. The Company will be in charge of overseeing the creation and completion of the Project and will act as the owner, investor, and tenant of the ninety-nine year ground lease on the property. It is a special purpose entity created for the purpose of the Project.

Scott Barone, Co-COO

Scott Barone, founder and owner of the Company, is also President and Founder of Barone Management LLC ("Barone"). Initially focused on property management, under his leadership, Barone expanded into development consulting. By 2005, Barone had approximately 400,000 square feet of property under its stewardship, a mix of property management and active construction and expanded the business to include residential properties in Northern Queens. Barone's construction business has also evolved to include larger scale project management.

Michael DeSousa, Co-COO

Michael DeSousa is the Co-COO of the Company and a seasoned business owner since 1998 in the construction and development field. He is a graduate of Hofstra University and actively participates in real estate development. He also remains an active partner in Marine Bulkheading Inc., a family run specialty foundation and marine contractor that has been in business for over thirty-three years. He has specialized in ground up construction for the majority of those years with over 500 foundations completed throughout the five boroughs of New York.

John Silvano

John Silvano is the owner of member entity JS LIC LLC and also the Executive Vice President of Barone, which he joined in 2006. He is a member of CBCS Equities LLC, a development company focusing on the development of hospitality projects in New York City. With the help of Mr. Silvano, the construction arm of Barone Management has evolved into larger scale project management, and offers development consulting on large-scale projects, including projects in Whitestone, Queens.

Employee Benefits

Because the Project is a to-be-leased commercial construction project and the majority of tenants have not yet been identified, the benefits that employees at the Project location will receive upon completion of the Project are not known at this time.

DMFYD LIC LLC

Recapture

Pursuant to UTEP, all benefits subject to recapture for a 10-year period.

SEQRA Determination

No significant adverse environmental impacts, staff recommends the Board adopt a Negative Declaration for this project. The completed Environmental Assessment Form for this project has been reviewed and signed by Agency staff.

Due Diligence

The Agency conducted a background investigation of the Company and its principals and found no derogatory information.

Compliance Check:	Not Applicable
Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	Compliant
Bank Account:	First Republic Bank
Bank Check:	Relationships are reported to be satisfactory.
Supplier Checks:	Not Applicable
Customer Checks:	Not Applicable
Unions:	Not Applicable
Vendex Check:	No derogatory information was found.
Attorney:	Stephen P. Epstein Jaspan Schlesinger LLP 300 Garden City Plaza Garden City, New York 11530-3324
Accountant:	Jonathan Cohen G.R. Reid Associates, LLP 7600 Jericho Turnpike #400 Woodbury, New York 11797
Consultant/Advisor:	Sunil Aggarwal ThinkForward Financial Group 27 Whitehall Street, 4 th Floor New York, New York 10004
Community Board:	Queens, CB #2

DMFYD LIC LLC

October 18, 2017

NYC Industrial Development Agency
110 William Street
New York, NY 10038

RE: DMFYD LIC LLC (aka, Barone Management) Application

Dear Board Members:

Barone Management, LLC ("Barone" or the "Company"), on behalf of DMFYD LIC LLC (the Applicant), is pleased to submit this application and letter to the New York City Industrial Development Agency, requesting financial assistance for the Company's new 77,000 sf industrial/warehouse/office facility in Long Island City.

Barone Management is a dual platform construction and development firm operating in the New York City metropolitan market. The Company seeks opportunities in hotels, industrial, warehouse, commercial facilities, and also does residential projects, including affordable housing under the 421-a program. Barone Management is actively developing numerous projects in New York City, including several hotels, such as its 328-room Thompson Hotel at 231 Hudson Street, a 202 room IHG Even Hotel at 40 Nevins Street in downtown Brooklyn and a 227 room Marriott Fairfield Inn & Suites at 538 West 58th Street. Barone also owns and manages a retail portfolio in excess of 50,000 sf.

The Project will be located at 9-03 44th Road (Block 451 Lot 1 in Queens). Barone has entered into a long-term ground lease for the site, and will develop a 3-story warehouse and office facility. The ground floor of the facility, comprised of almost 40,000 sf, will include 13 small warehouses ranging in size from 2,200 sf to 5,300 sf. The second floor, consisting of about 30,000 sf, is intended to accommodate warehousing/light manufacturing operations. The third floor, 7,200 sf, is intended to attract loft/studio/office users. Many of these tenants are expected to come from Manhattan and other areas where rents are very costly and unaffordable. The Project is intended to offer high-quality affordable space for such tenants. While no leases are signed yet, the Company anticipates that the building will eventually have anywhere from 25 to 30 tenants.

The cost to build the facility is very high, approaching \$31 million, and requires a substantial amount of debt and equity. Additionally, the Company must pay ground rent to the landowner, as well as operating costs on the facility. The Company's financial plan is strongly dependent upon attracting tenants from high-rent areas, such as Manhattan, where many tenants have been priced out of the market. Thus, the Company's plan requires reasonable rent levels in order to succeed. At presently targeted rent levels averaging about \$44/sf, the Company would not have enough cash flow to service its mortgage loan, absent IDA benefits. Rents would need to be increased substantially to make the project both economically feasible and to also make economic business sense for the Company. However, as noted, such rent levels would be a strong deterrent to tenants seeking high-quality, affordable space. This would render the project unfeasible in its current configuration, requiring the Company to revise its business plan and seek a different use for the facility and a different class of tenants.

The benefits would enable the company to set rental rates at more affordable levels, increasing the chances of attracting and retaining industrial tenants – which would strongly align with the city's policies regarding Industrial Business Zones, within which this project will exist. The Company is seeking benefits in the form of land tax abatement, building tax abatement, and waiver of mortgage recording taxes and exemption on sales taxes for construction materials.

We look forward to working with NYCIDA on this project. If you have any questions or additional requests, please do not hesitate to ask.

Best Regards,



John Silvano
Member

Exhibit B

RESOLUTION INDUCING THE FINANCING OF A COMMERCIAL FACILITY TO BE DEVELOPED BY DMFYD LIC LLC AS A STRAIGHT LEASE TRANSACTION AND AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF AGREEMENTS IN CONNECTION THEREWITH

WHEREAS, New York City Industrial Development Agency (the “Agency”) is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, DMFYD LIC LLC (the “Company”), a limited liability company, has entered into negotiations with officials of the Agency in connection with a project consisting of the with the construction and development of a three story, approximately 86,234 square foot facility located on an approximately 42,521 square foot parcel of land (the “Facility”), which Facility is owned by JMK Realty, Family Limited Partnership (“JMK”) and leased by JMK to the Company which will operate the Facility and lease it to the Agency for sublease by the Agency to the Company for subsequent sub-sublease to various industrial, light manufacturing and office tenants, and having an approximately total project cost of \$31,215,961 (together with the Facility, the “Project”); and

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

WHEREAS, the Application sets forth certain information with respect to the Company and the Project, including the following: that the construction, furnishing and equipping of the Facility will provide high quality, affordable rental space to various industrial, light manufacturing and office tenants s and, at full occupancy, it is estimated that 125 full-time equivalent employees will be employed at the Facility and that, based upon the financial assistance provided through the Agency, the Company desires to proceed with the Project; and

WHEREAS, based upon the 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 to induce the Company to establish and expand its operations in New York City (the “City”); and

WHEREAS, the Company may enter into loan commitments with commercial banks, institutional lenders, private lenders or governmental entities lenders acceptable to the Company and the Agency (collectively, the “Lender”), which may provide funds to the Company in the form of one or more loans to finance a portion of the cost of the Project, and the Agency, the Company will grant one or more mortgages on the Facility to the Lender (collectively, the “Mortgage”), and

WHEREAS, in order to provide financial assistance to the Company for the Project, the Agency intends to grant the Company financial assistance through a straight-lease transaction in the form of sales

tax exemptions, real property tax exemptions and a mortgage recording tax exemption all pursuant to the Act;

NOW, THEREFORE, NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that the Project and the provision by the Agency of financial assistance to the Company pursuant to the Act in the form of a straight-lease transaction will promote and is authorized by and will be in furtherance of the policy of the State of New York as set forth in the Act and hereby authorizes the Company to proceed with the Project. The Agency further determines that:

(a) the Project shall not result in the removal of any facility or plant of the Company or any other occupant or user of the Facility from outside of the City (but within the State of New York) to within the City or in the abandonment of one or more facilities or plants of the Company or any other occupant or user of the Facility located within the State of New York (but outside of the City);

(b) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York;

(c) not more than one-third of the total Project cost is in respect of facilities or property primarily used in making retail sales of goods or services to customers who personally visit such facilities within the meaning of Section 862 of the New York General Municipal Law.

Section 2. To accomplish the purposes of the Act and to provide financial assistance to the Company for the Project, a straight-lease transaction is hereby authorized subject to the provisions of this Resolution.

Section 3. The Agency hereby authorizes the Company to proceed with the Project as herein authorized. The Company is authorized to proceed with the Project on behalf of the Agency as set forth in this Resolution; provided, however, that it is acknowledged and agreed by the Company that (i) nominal leasehold title to or other interest of the Agency in the Facility shall be in the Agency for purposes of granting financial assistance, and (ii) the Company is hereby constituted the agents for the Agency solely for the purpose of effecting the Project, and the Agency shall have no personal liability for any such action taken by the Company for such purpose.

Section 4. The execution and delivery of a Company Lease Agreement from the Company leasing the Facility to the Agency, an Agency Lease Agreement from the Agency subleasing the Facility to the Company (collectively, the "Lease Agreement"), and the Mortgage (each document referenced in this Section 4 being, collectively, the "Agency Documents"), each being substantively the same as approved by the Agency for prior transactions, is hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

Section 5. 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 cooperate with the Company to assist in the Project.

Section 6. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in 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 or 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 7. No covenant, stipulation, obligation or agreement herein contained or contained in the Agency Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Agency in his or her individual capacity and neither the members nor the directors of the Agency nor any officer executing any Agency Document shall be liable personally for any amounts payable thereunder or arising from claims thereon or be subject to any personal liability or accountability by reason of the execution and delivery or acceptance thereof.

Section 8. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, 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. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 9. All fees and expenses incurred by the Agency with respect to the Project shall be paid by the Company. By acceptance hereof, the Company agrees to pay such fees and expenses and further agrees 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 Project.

Section 10. This Resolution is subject to approval based on an investigative report with respect to the Company. The provisions of this Resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 9 hereof).

Section 11. The Agency, as lead agency, is issuing this determination 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. This determination is based upon the Agency’s review of information provided by the Company and such other information as the Agency has deemed necessary and appropriate to make this determination.

The Agency has determined that the proposed project, an Unlisted action, pursuant to SEQRA and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The reasons supporting this determination are as follows:

(a) The proposed project would not result in a substantial adverse change in existing traffic, air quality, or noise levels. While the site is currently vacant, the addition of the projected worker population and truck traffic would not constitute a significant increase in traffic to and from the site. Workers traveling to the proposed project are expected to utilize public transportation, which is abundant in the area.

(b) The proposed project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.

(c) The proposed project would not result in significant adverse impacts to natural resources, critical habitats, or water quality. The proposed project site is located within New York City's coastal zone boundary. Having reviewed the materials submitted by the applicant regarding this action, the Agency finds that the proposed action is consistent with the policies comprising the City's Waterfront Revitalization Program (WRP) and that the proposed action would not hinder the achievement of the WRP.

(d) The proposed project would not result in a change in existing zoning or land use. The proposed building would be constructed as-of-right under existing zoning and would comply with all relevant standards and regulations related to construction within the flood zone.

(e) A Phase I Environmental Site Assessment (ESA) prepared for the site listed a number of recognized environmental conditions (RECs), related to historic uses on the site, a previously existing gasoline tank (which has had a confirmed spill and an active file with NYSDEC), currently existing closed tanks on the site (for which closure procedures are inconclusive), and previously conducted targeted soil sampling (which indicated petroleum in the soil on the site).

A Phase II Environmental Site Investigation will be conducted by the Company in the identified areas of concern to further delineate the contamination present on the site. The company will work with NYSDEC or other relevant regulators to remediate the site and close the file for the known spill from the historic tank. During the construction of the proposed Project, closure of the existing 7,500-gallon underground storage tank and 5,000-gallon heating oil underground storage tank should be performed in accordance with the relevant regulations.

Furthermore, based on the date of construction, asbestos containing materials (roof, roof flashing, floor tiles and other concealed materials) and or lead based paint may be present in the existing building. During the site inspection conducted as part of the Phase I, all suspect materials were noted to be in fair condition. Prior to any renovations or demolition of the building, an asbestos and lead based paint survey would be needed to determine the asbestos and or lead based paint content of suspect materials.

With the implementation of these aforementioned measures, the construction of the proposed Project is not expected to result in any adverse impacts related to hazardous materials.

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

Section 12. In connection with the Project, the Company covenants and agrees to comply, and to cause each of their respective contractors, subcontractors, agents, persons or entities to comply, with the requirements of General Municipal Law Sections 875(1) and (3), as such provisions may be amended from time to time.

(a) The Company acknowledges and agrees that pursuant to General Municipal Law Section 875(3) the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Company New York State sales or use tax savings taken or purported to be taken by the Company, and any agent or any other person or entity acting on behalf of the Company, to which the Company is not entitled or which are in excess of the maximum sales or use tax exemption amount authorized in Section 13 of this Resolution or which are for property or services not authorized or taken in cases where the Company, or any agent or any other person or entity acting on behalf of the Company, failed to comply with a material term or condition to use property or services in the manner required by this Resolution or any agreements entered into among the Agency, the Company and/or any agent or any other person or entity acting on behalf of the Company. The Company shall, and shall require each agent and any other person or entity acting on behalf of the Company, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such New York State sales or use tax savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the “Commissioner”) to assess and determine New York State sales or use taxes due from the Company under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

(b) The Company is hereby notified (provided that such notification is not a covenant or obligation and does not create a duty on the part of the Agency to the Company or any other party) that the Agency is subject to certain requirements under the General Municipal Law, including the following:

(i) In accordance with General Municipal Law Section 875(3)(c), if the Agency recovers, recaptures, receives, or otherwise obtains, any amount of New York State sales or use tax savings from the Company, any agent or other person or entity, the Agency shall, within thirty days of coming into possession of such amount, remit it to the Commissioner, together with such information and report that the Commissioner deems necessary to administer payment over of such amount. The Agency shall join the Commissioner as a party in any action or proceeding that the Agency commences to recover, recapture, obtain, or otherwise seek the return of, New York State sales or use tax savings from the Company or any other agent, person or entity.

(ii) In accordance with General Municipal Law Section 875(3)(d), the Agency shall prepare an annual compliance report detailing its terms and conditions described in General Municipal Law Section 875(3)(a) and its activities and efforts to recover, recapture, receive, or otherwise obtain State sales or user tax savings described in General Municipal Law Section 875(3)(b), together with such other information as the Commissioner and the New York State Commissioner of Economic Development may require. Such report shall be filed with the Commissioner, the Director of the Division of the Budget of The State of New York, the New York State Commissioner of Economic Development, the New York State Comptroller, the Council of the City of New York, and may be included with the annual financial statement required by General Municipal Law Section 859(1)(b). Such report shall be filed regardless of whether the Agency is required to file such financial statement described by General Municipal Law Section 859(1)(b). The failure to file or substantially complete such report shall be deemed to be the failure to file or substantially complete the statement required by such General Municipal Law Section 859(1)(b), and the consequences shall be the same as provided in General Municipal Law Section 859(1)(e).

(c) The foregoing requirements of this Section 12 shall apply to any amounts of New York State sales or use tax savings that the Agency recovers, recaptures, receives, or otherwise obtains, regardless of whether the Agency, the Company or any agent or other person or entity acting on behalf of the Company characterizes such benefits recovered, recaptured, received, or otherwise obtained, as a penalty or liquidated or contract damages or otherwise. The foregoing requirements shall also apply to any interest or penalty that the Agency imposes on any such amounts or that are imposed on such amounts by operation of law or by judicial order or otherwise. Any such amounts or payments that the Agency recovers, recaptures, receives, or otherwise obtains, together with any interest or penalties thereon, shall be deemed to be New York State sales or use taxes and the Agency shall receive any such amounts or payments, whether as a result of court action or otherwise, as trustee for and on account of New York State.

Section 13. In connection with the Project, the Agency intends to grant the Company sales and use tax exemptions in an amount not to exceed \$1,031,845, real property tax exemptions and a mortgage recording tax exemption.

Section 14. This Resolution shall take effect immediately.

Adopted: December 12, 2017

Accepted: December ____, 2017

DMFYD LIC LLC

By: _____
Name:
Title:

Exhibit C

Project Summary

IKEA Holding US, Inc. (the "Company"), a Delaware corporation and an affiliate of Inter IKEA Group ("IKEA"), seeks financial assistance in connection with the renovation, furnishing, and equipping of an approximately 975,000 square foot industrial building located on a 1,089,000 square foot parcel of land (the "Facility"). The Facility will be leased by the Company or a to-be-formed affiliate thereof and is owned by Matrix PPF Staten Island Lot 1, LLC (the "Owner"), an affiliate of Matrix Development Group. The Facility will be operated as a distribution center for home furnishings (the "Project"). Based on a review of the Project, Agency staff has concluded that the Project is likely to be completed within two years of the closing date.

Project Location

586 Gulf Ave
Staten Island, NY 10314

Actions Requested

- Inducement and Authorizing Resolution for an Industrial Program transaction.
- Approval of public hearing notice period.
- Adopt a SEQRA determination that the proposed project is a Type II action and therefore no further environmental review is required.

Anticipated Closing

February 2018

Impact Summary

Employment	
Jobs at Application	0
Jobs to be Created at Project Location (Year 3)	275
Total Jobs (full-time equivalents)	275
Projected Average Hourly Wage (excluding principals)	\$17.00
Highest/Lowest Hourly Wage	\$65.00/\$16.00

Estimated City Tax Revenues	
Impact of Operations (NPV 14 years at 6.25%)	\$26,803,437
One-Time Impact of Renovation	\$1,687,088
Total impact of operations and renovation	\$28,490,525
Additional benefit from jobs to be created	\$8,862,182

Estimated Cost of Benefits Requested: New York City	
Sales Tax Exemption	\$682,875
Agency Project Fee	(\$151,313)
Total Value of Benefits provided by Agency	\$531,562
Available As-of-Right Benefits (ICAP)	\$16,474,312
Agency Benefits In Excess of As-of-Right Benefits	(\$15,942,750)

Costs of Benefits Per Job	
Estimated Net Cost of NYCIDA Benefits per Total Jobs	\$1,933
Estimated Net City Tax Revenue per Total Jobs	\$135,828

IKEA Holding US, Inc.

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$663,907
Total Cost to NYS	\$663,907

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Company Funds	\$33,200,000	100%
Total	\$33,200,000	100%

Uses	Total Amount	Percent of Total Costs
Fixed Tenant Improvements	\$9,500,000	29%
Furnishings & Equipment	\$23,700,000	71%
Total	\$33,200,000	100%

Fees

	Paid At Closing	On-Going Fees (NPV, 14 Years)
Agency Fee	\$151,313	
Project Counsel	Hourly	
Annual Agency Fee	1,250	\$11,441
Total	\$152,563	
Total Fees	\$164,004	

Financing and Benefits Summary

The Project will be financed using IKEA funds. The financial assistance proposed to be conferred by the Agency will consist of an exemption from City and State sales and use taxes in connection with the acquisition, installation and maintenance of tenant improvements, machinery and equipment.

Company Performance and Projections

The Project will represent a significant expansion of the Company's business in the New York City Metropolitan area, and will also serve as a catalyst for future expansion and expected business growth in the New York City Metropolitan area. The Company's existing operations in New York State consist of two stores in Brooklyn and Long Island. The Company also has multiple stores located throughout New Jersey. Completion of the Project will establish a distribution and fulfillment center that will support increasing growth demands and complement the Company's overall current initiative of expanding its business presence and market shares within major US cities. The primary purpose of this fulfillment center is to support the Company's existing regional stores as well as to receive and ship products across the region to consumers. The Company's existing New York facilities are currently facing capacity issues and the Project would alleviate these issues.

Inducement

- I. The Company has steadily grown its tri-state presence and is now looking to accelerate this growth due to increasing demands. The Project will allow the Company to establish a stronger distribution network in New York City and will serve as a catalyst for future expansion and business growth.
- II. The Company has located a suitable alternative property in New Jersey that is less expensive than the Facility.
- III. Without assistance from the Agency, the Company has stated that it likely would not pursue this Project in New York City.

IKEA Holding US, Inc.

UTEP Considerations

The Agency finds that the Project meets one or more considerations from Section I-B of the Agency's Uniform Tax Exemption Policy ("UTEP"), including the following:

- I. The Project will create or retain permanent private-sector jobs.
- II. Financial assistance is required to induce the Project.
- III. The Project will generate approximately \$33,200,000 in private-sector investment.

Applicant Summary

Since being founded in 1943 in Sweden, IKEA has offered home furnishings of good design and function, at affordable prices. IKEA is the largest international furniture retailer. IKEA offers modernist designs for various types of appliances and furniture, and currently offers more than 9,500 products. Additionally, IKEA is known for attention to cost control, operational details, and continuous product development - all of which are corporate attributes that allowed IKEA to lower its prices by an average of two to three percent over the decade to 2010 during a period of global expansion. There are currently 400 IKEA stores across 49 countries, including 44 stores in the US. IKEA has been ranked among the "Best Companies to Work For" by Fortune Magazine and has raised its own minimum wage in 2014 and 2015. IKEA offers career areas for full time employment in retail, corporate, eCommerce, merchandising, design & communications, supply chain and distribution, real estate, facilities and construction, IT, purchasing, and food.

Michael Ward, President

Mr. Ward has served as President of the Company since 2009. Mr. Ward began his career with IKEA in 1986 as a trainee and has served in a variety of positions including as store manager of IKEA Burlington Ontario and as president of IKEA Netherlands. Mr. Ward has a Bachelor's degree in Business Administration from Wilfrid Laurier University.

Mark Foutch, Chief Financial Officer

Mr. Foutch has served as the Chief Financial Officer since January 2017. Prior to his current position Mr. Foutch spent 15 years with Luxottica where he held several positions including as Vice President of Finance and Business Analytics. Mr. Foutch has a Bachelor's of Science in Accounting from Northwest Missouri State University

Employee Benefits

Employee benefits include health coverage, a bonus program, 401(k) matching and pension plan reimbursements, tuition reimbursements, and paid vacation time.

Recapture

Pursuant to UTEP, all benefits will be subject to recapture for a 10-year period from the operations commencement date. In the event that the Company's lease of the Facility from the Owner expires within 10 years and is not renewed after the initial term of the lease, the Recapture Period will terminate on such expiration date.

Public Hearing Notice Requirement

In September 2006 and September 2010, the Agency's Board of Directors approved omnibus resolutions adopting as policy the practice of (i) publishing and posting on the Agency's website a notice for each Agency project at least 30 days prior to the public hearing for such project, and (2) posting on the Agency's website the project application and cost benefit analysis ("Project Materials") for such project at least 12 calendar days prior to the public hearing for such project. In the case of this Project, the Agency published the notice, and posted Project Materials 10 days before the November public hearing, satisfying the statutory public notice requirements, but not the foregoing Agency Board-approved policies, for which the Agency staff requests a waiver. Subsequent to the posting of the Project Materials for this project there was a change in the types of benefits provided by the Agency for this Project and Agency staff has posted a revised cost benefit analysis on the Agency's website.

IKEA Holding US, Inc.

SEQRA Determination

No significant adverse environmental impacts, staff recommends the Board adopt a Negative Declaration for this project. The completed Environmental Assessment Form for this project has been reviewed and signed by Agency staff.

Due Diligence

The Agency conducted a background investigation of the Company and its principals and found no derogatory information.

Compliance Check:	Not applicable
Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	ACA Coverage Offered
Bank Account:	Wells Fargo Bank, N.A.
Bank Check:	Relationships are reported to be satisfactory.
Supplier Checks:	Relationships are reported to be satisfactory.
Customer Checks:	Not applicable
Unions:	Not applicable
Vendex Check:	No derogatory information was found.
Attorney:	Carlisle Michael Bostic IKEA Distribution Services, Inc. Legal & Compliance 100 IKEA Drive Westhampton, NJ 08060
Consultant:	James Pomponi PricewaterhouseCoopers 300 Madison Avenue New York, NY 10017
Community Board:	Staten Island, CB #3



October 24, 2017

Mr. Krishna Omolade
New York City Industrial Development Agency ("NYCIDA")
110 William St.
New York, NY 10024

RE: IKEA Holding U.S., Inc. ("IKEA")
EIN: 75-1950417
NYCIDA Inducement Letter

Dear Mr. Omolade:

IKEA is the world's leading home furnishings retailer with the goal of becoming the world's leading multi-channel home furnishing retailer with the advent of web-site and mail-order markets. Since its 1943 founding in Sweden, IKEA has offered home furnishings of good design and function, at affordable prices.

IKEA's existing New York Metropolitan tri-state facilities are currently near capacity, and in some cases are in possession of inventory without adequate storage space. The facility being considered would alleviate these capacity issues, support its existing stores and allow for expansion in the market, while improving the Company's overall logistics process and efficiency in connection with its regional commerce. IKEA currently has 45 stores in the United States (which includes 6 newly opened stores since 2015). While there were 783 million store visits and €34.2 billion in total sales in fiscal year 2016, there are only 6 Pick-up and Order Points, 7 Store Distribution sites, and 6 customer distribution sites in North America. The rapid expansion of store sales volume and e-commerce sales both in the New York Metropolitan tri-state area and elsewhere has led to the need to add more distribution/fulfillment centers. The proposed expansion would also serve as a catalyst for future expansion and expected business growth in the New York Metropolitan tri-state area.

In a larger sense, the IKEA organization is developing greater support of their customer focused multichannel strategy. IKEA has been updating its management structure to strengthen the focus on the customer experience and in FY16, the core areas of Retail and Customer fulfillment were established so that these business units did not have a secondary level of management. The intended result of the restructure is to add more customer-centric growth in key markets around major US cities, such as the addition of a new distribution/fulfillment center in the New York Metropolitan tri-state area.

In July 2017, IKEA narrowed the facility location search to three New Jersey based locations, in addition to its Staten Island property being considered. The proposed fulfillment center project would represent a significant expansion of IKEA's business in the New York Metropolitan tri-



state area. A new distribution/fulfillment center in the New York Metropolitan tri-state area is long overdue and IKEA is highly considering moving forward with developing this project in New York. The area of Staten Island is ideal for this purpose; however, the cost of doing business in New York is high, and the financial benefits offered under the NYCEDC, namely those available under the New York City Industrial Development Agency ("IDA"), would have a positive impact to the project's budget, offsetting the elevated costs of this project. IKEA is planning to invest approximately \$30M in retrofitting their new building. IDA real estate tax exemptions of \$17 million and a sales tax waiver of \$3 million would greatly assist IKEA in making a long term commitment to this location. While continuing to investigate competitive options for alternative sites within New Jersey, IKEA will stress financial assistance under the New York City IDA as a significant factor in moving forward with this proposed project in Staten Island. This includes both the IDA property tax benefits and sales tax waivers to help manage the expected higher costs. Without these IDA benefits, IKEA would strongly consider the alternative site locations its been prospecting in New Jersey for its expansion.

We hope that the New York City IDA will approve our project so we can locate our distribution/fulfillment center in Staten Island, New York and continue to expand our operations and business in New York City.

Sincerely,

A handwritten signature in cursive script that reads "John Robinson".

John Robinson, Treasurer
IKEA Holding U.S., Inc.

Exhibit D

RESOLUTION INDUCING THE FINANCING OF INDUSTRIAL FACILITY FOR THE BENEFIT OF IKEA HOLDING US, INC. AS A STRAIGHT-LEASE TRANSACTION AND AUTHORIZING THE EXECUTION AND DELIVERY OF AGREEMENTS IN CONNECTION THEREWITH

WHEREAS, the New York City Industrial Development Agency, New York, New York (the “Agency”) is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, IKEA Holding US, Inc. or an affiliated entity to be formed (collectively, the “Applicant”), has entered into negotiations with officials of the Agency in connection with the renovation, furnishing and equipping of an approximately 975,000 square foot industrial building located on an approximately 1,089,000 square foot parcel of land located at 586 Gulf Avenue, in Staten Island, New York (the “Facility”) which Facility is owned by Matrix PPF Staten Island 1, LLC (the “Landlord”), an affiliate of the Matrix Development Group, and leased to the Applicant to be used as an industrial facility and distribution center (together with the Facility, the “Project”), for sublease by the Applicant to the Agency for subsequent sub-sublease in whole by the Agency to the Applicant, and having an approximate total project cost of approximately \$33,200,0000 (the “Project”); and

WHEREAS, the Applicant has submitted an application with respect to the Project (the “Application”) to the Agency to initiate the accomplishment of the above; and

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant expects to employ approximately 275 full time equivalent employees in The City of New York (the “City”) within the three years following the completion of the Project; that the Applicant must obtain Agency financial assistance in the form of a straight-lease transaction to enable the Applicant to proceed with the Project and thereby establish and expand its operations in the City; and that, based upon the financial assistance provided through the Agency, the Applicant desire to proceed with the Project and establish and expand its operations in the City; and

WHEREAS, the Agency held a public hearing with respect to the Project on December 7, 2017; and

WHEREAS, based upon the 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 Applicant is necessary to induce the Applicant to expand its operations and proceed with the Project; and

WHEREAS, in order to provide financial assistance to the Applicant for the Project, the Agency intends to grant the Applicant financial assistance through a straight-lease transaction in the form of sales tax exemptions all pursuant to the Act;

NOW, THEREFORE, NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that the Project and the provision by the Agency of financial assistance to the Applicant pursuant to the Act in the form of a straight-lease transaction will promote and is authorized by and will be in furtherance of the policy of the State of New York as set forth in the Act and hereby authorizes the Applicant to proceed with the Project. The Agency further determines that:

(a) the Project shall not result in the removal of any facility or plant of the Applicant or any other occupant or user of the Facility from outside of the City (but within the State of New York) to within the City or in the abandonment of one or more facilities or plants of the Applicant or any other occupant or user of the Facility located within the State of New York (but outside of the City);

(b) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York; and

(c) not more than one-third of the total Project cost is in respect of facilities or property primarily used in making retail sales of goods or services to customers who personally visit such facilities within the meaning of Section 862 of the New York General Municipal Law.

Section 2. To accomplish the purposes of the Act and to provide financial assistance to the Applicant for the Project, a straight-lease transaction is hereby authorized subject to the provisions of this Resolution.

Section 3. The Agency authorizes the Applicant to proceed with the Project as herein authorized. The Applicant is authorized to proceed with the Project on behalf of the Agency in accordance with this Resolution, the Company Lease Agreement and the Agency Lease Agreement; provided, however, that it is acknowledged and agreed by the Applicant that (i) nominal leasehold title to or other interest of the Agency in the Facility shall be for purposes of granting financial assistance, and (ii) the Applicant is hereby constituted the agent for the Agency solely for the purpose of effecting the Project and neither the Agency nor any of its members, directors, officers, employees or agents (other than the Applicant, as aforesaid) shall have personal liability for any such action taken by the Applicant or any director, officer, employee, agent or affiliate of either, for such purpose.

Section 4. The execution and delivery of a Landlord Company Lease from the Landlord to the Agency leasing the Landlord Facility to the Agency, a Landlord Lease Agreement from the Agency to the Landlord subleasing the Landlord Facility to the Landlord, a Company Lease Agreement and an Agency Lease Agreement (each document referenced in this Section 4 being, collectively, the "Agency Documents"), each being substantively the same as approved by the Agency for prior transactions, is hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

Section 5. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, 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. The Agency recognizes that due

to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution.

Section 6. 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 cooperate with the Applicant to assist in the Project.

Section 7. Any costs and expenses incurred by the Agency with respect to the Project and the financial assistance contemplated by this Resolution shall be paid by the Applicant, whether or not the Applicant proceeds with the financing of the Project as contemplated herein or financial assistance by the Agency to the Applicant, through the straight lease transaction between the Agency and the Applicant, is provided as herein authorized (other than by the sole fault of the Agency). By acceptance hereof, the Applicant agrees to pay such costs and expenses and further agrees to indemnify the Agency, its members, directors, officers, employees and agents and hold the Agency and such persons harmless against claims for any loss, liability, damage or injury or cost or expense incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Project and the financing thereof.

Section 8. This Resolution is subject to the approval of a private investigative report with respect to the Applicant. The provisions of this Resolution shall continue to be effective until one year from the date hereof whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 7 hereof) unless prior to the expiration of such year the Agency shall by subsequent resolution extend the effective period of this Resolution.

Section 9. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in 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 or any of 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.

No covenant, stipulation, obligation or agreement herein contained or contained in any Agency Document shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Agency in his or her individual capacity thereof and neither the members nor the directors of the Agency nor any officer executing any Agency Document shall be liable personally for any amounts payable thereunder or arising from claims thereon or be subject to any personal liability or accountability by reason of the execution and delivery or acceptance thereof.

Section 10. The Agency, as lead agency, is issuing this determination 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. This determination is based upon the Agency's review of information provided by the Applicant and such other information as the Agency has deemed necessary and appropriate to make this determination.

The Agency hereby determines that the proposed action is a Type II action, pursuant to 6 NYCRR Part 617.5(c)(2), ‘replacement, rehabilitation or reconstruction of a structure or facility, in kind, on the same site, including upgrading buildings to meet building or fire codes . . . ’ which would not result in adverse environmental impacts requiring the preparation of an Environmental Impact Statement.

Section 11. The Chairperson, the Vice Chairperson, the Secretary, the Assistant Secretary, the Executive Director and the Deputy Executive Director and the General Counsel of the Agency, and any member of the Agency, are hereby designated the authorized representatives of the Agency and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits, agreements 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.

Section 12. In connection with the Project, the Applicant covenants and agrees to comply, and to cause it contractors, subcontractors, agents, persons or entities to comply, with the requirements of General Municipal Law Sections 875(1) and (3), as such provisions may be amended from time to time.

(a) The Applicant covenants and agrees that pursuant to General Municipal Law Section 875(3) the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Applicant New York State sales or use tax savings taken or purported to be taken by the Applicant and any agent or any other person or entity acting on behalf of the Applicant, to which the Applicant is not entitled or which are in excess of the maximum sales or use tax exemption amount authorized in Section 13 of this Resolution or which are for property or services not authorized or taken in cases where the Applicant, or any agent or any other person or entity acting on behalf of the Applicant, failed to comply with a material term or condition to use property or services in the manner required by this Resolution or any agreements entered into among the Agency, the Applicant and/or any agent or any other person or entity acting on behalf of the Applicant. The Applicant shall, and shall require each agent and any other person or entity acting on behalf of the Applicant, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such New York State sales or use tax savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the “Commissioner”) to assess and determine New York State sales or use taxes due from the Applicant under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

(b) The Applicant is hereby notified (provided that such notification is not a covenant or obligation and does not create a duty on the part of the Agency to the Applicant or any other party) that the Agency is subject to certain requirements under the General Municipal Law, including the following:

(i) In accordance with General Municipal Law Section 875(3)(c), if the Agency recovers, recaptures, receives, or otherwise obtains, any amount of New York State sales or use tax savings from the Applicant, any agent or other person or entity, the Agency shall, within thirty days of coming into possession of such amount, remit it to the Commissioner, together with such information and report that the Commissioner deems necessary to administer payment over of such amount. The Agency shall join the Commissioner as a party in any action or proceeding that the Agency commences to recover, recapture, obtain, or otherwise seek the return of, New York State sales or use tax savings from the Applicant or any other agent, person or entity.

(ii) In accordance with General Municipal Law Section 875(3)(d), the Agency shall prepare an annual compliance report detailing its terms and conditions described in

General Municipal Law Section 875(3)(a) and its activities and efforts to recover, recapture, receive, or otherwise obtain State sales or user tax savings described in General Municipal Law Section 875(3)(b), together with such other information as the Commissioner and the New York State Commissioner of Economic Development may require. Such report shall be filed with the Commissioner, the Director of the Division of the Budget of The State of New York, the New York State Commissioner of Economic Development, the New York State Comptroller, the Council of the City of New York, and may be included with the annual financial statement required by General Municipal Law Section 859(1)(b). Such report shall be filed regardless of whether the Agency is required to file such financial statement described by General Municipal Law Section 859(1)(b). The failure to file or substantially complete such report shall be deemed to be the failure to file or substantially complete the statement required by such General Municipal Law Section 859(1)(b), and the consequences shall be the same as provided in General Municipal Law Section 859(1)(e).

(iii) The foregoing requirements of this Section 12 shall apply to any amounts of New York State sales or use tax savings that the Agency recovers, recaptures, receives, or otherwise obtains, regardless of whether the Agency, the Applicant or any agent or other person or entity acting on behalf of the Applicant characterizes such benefits recovered, recaptured, received, or otherwise obtained, as a penalty or liquidated or contract damages or otherwise. The foregoing requirements shall also apply to any interest or penalty that the Agency imposes on any such amounts or that are imposed on such amounts by operation of law or by judicial order or otherwise. Any such amounts or payments that the Agency recovers, recaptures, receives, or otherwise obtains, together with any interest or penalties thereon, shall be deemed to be New York State sales or use taxes and the Agency shall receive any such amounts or payments, whether as a result of court action or otherwise, as trustee for and on account of New York State.

Section 13. In connection with the Project, the Agency intends to grant the Applicant sales tax exemptions in an amount not to exceed \$1,346,782.

Section 14. This Resolution shall take effect immediately.

ADOPTED: December 12, 2017

ACCEPTED: December ____, 2017

IKEA HOLDING US, INC.

By: _____
Name:
Title:

Exhibit E

Project Summary

Trinity Group Holdings LLC, a New York limited liability company (the "Applicant") will own an industrial park in Staten Island (the "Industrial Park") and its affiliates Hogan Asphalt LLC and Richmond Recycling LLC (the "Affiliates"), will operate the Industrial Park. The Applicant and its Affiliates (collectively, the "Company") seek financial assistance in connection with the: (1) acquisition of an approximately 44 acre parcel of land and a 3,400 square foot one-story building and a 10,000 square foot garage thereon, located at 1900 South Avenue, Staten Island, New York (the "Facility"); (2) acquisition of machinery and equipment to be used for the production of asphalt; and (3) design and construction of property improvements including, but not limited to, marine and rail transport and office space and garage refurbishments. The Facility will be owned by the Applicant for the Affiliates' asphalt production and recycling operations. A portion of the Facility is expected to be leased by the Applicant to Agency approved industrial tenants engaged in concrete manufacturing, soil remediation, vehicle storage, energy production and other industrial uses (the "Project"). The total Project cost is approximately \$56,222,900. Agency staff has concluded that the Project is likely to be completed within three years of the closing date.

Project Location

1900 South Avenue
Staten Island, New York 10314

Actions Requested

- Inducement and Authorizing Resolution for an Industrial Program transaction.
- Adopt a negative declaration for the Project that the proposed Project will not have a significant adverse effect on the environment.

Anticipated Closing

December 2017

Impact Summary

Employment	
Jobs at Application:	41
Jobs to be Created at Project Location (Year 3):	17
Total Jobs (full-time equivalents)	58
Projected Average Hourly Wage (excluding principals)	\$23.87
Highest Wage/Lowest Wage	\$61.25/15.00

Estimated City Tax Revenues	
Impact of Operations (NPV 25 years at 6.25%)	\$33,052,934
One-Time Impact of Renovation	654,461
Total impact of operations and renovation	\$33,707,395
Additional benefit from jobs to be created	\$1,624,486

Estimated Cost of Benefits Requested: New York City	
Building Tax Exemption (NPV, 25 years)	\$22,758,589
Land Tax Abatement (NPV, 25 years)	\$1,331,895
MRT Benefit	\$686,000
Sales Tax Exemption	\$467,200
Agency Financing Fee	(\$354,300)
Total Value of Benefits provided by Agency	\$24,889,684
Available As-of-Right Benefits (ICAP)	\$14,992,951
Agency Benefits In Excess of As-of-Right Benefits	\$9,896,733

Trinity Group Holdings LLC

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$170,633
Estimated City Tax Revenue per Job	\$609,170

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$369,600
Sales Tax Exemption	\$454,125
Total Cost to NYS	\$823,725

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Commercial Loan	\$42,240,000	75%
Equity Investment	10,982,900	20%
Funds from Affiliates	3,000,000	5%
Total	\$56,222,900	100%

Uses	Total Amount	Percent of Total Costs
Land and Building Acquisition	\$40,000,000	71%
Hard Costs	3,000,000	5%
Soft Costs	3,000,000	5%
Furnishings and Equipment	8,280,000	15%
Closing Costs	1,942,900	4%
Total	\$56,222,900	100%

Fees

	Paid At Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	\$354,300	
Project Counsel	Hourly	
Annual Agency Fee	1,250	15,607
Total	355,550	15,607
Total Fees	\$371,157	

Financing and Benefits Summary

The Company will finance a portion of the acquisition of the Facility and the purchase of machinery and equipment for asphalt production using a commercial mortgage loan from Bank Leumi USA (the "Bank") for approximately \$42,240,000 (the "Loan"). The Loan will have a 5 year term with a 20 year amortization period. The interest rate will be 300 basis points above the Bank's seven year cost of funds with an indicative rate of 6.20%. The Company anticipates entering into a joint venture agreement with Taurus Investment Holdings LLC, an investor in commercial and residential real estate in the United States and Europe. The Affiliates have contributed approximately \$3,000,000 to the acquisition of the Facility in the form of a credit against the purchase price based on the rent that has been paid. Based on a review of the Company's financial statements we anticipate a debt service coverage ratio of 1.31x at stabilization in year 3. The financial assistance proposed to be conferred by the Agency will consist of payments

Trinity Group Holdings LLC

in lieu of City real property taxes, mortgage recording tax deferral, and exemption from City and State sales and use taxes.

Company Performance and Projections

The Facility is one of the few intermodal industrial sites in Staten Island with access to rail and maritime infrastructure and interstate highways. The Facility is currently leased by two companies:

- Hogan Asphalt LLC – Hogan Asphalt is a manufacturer of recycled asphalt materials which are used for public and private projects.
- Richmond Recycling LLC – Richmond is a recycler of recycled and supplier of construction materials such as stone, concrete and fill.

In addition, the following entities have usage agreements to utilize portions of the Facility:

- Heritage Environmental Services, LLC – A national company that transports hazardous materials and environmental waste. This company pays a fee for each ton of material that crosses the dock or rail in the Facility. The current fee is approximately \$216,000 and is expected to increase as a result of additional use of the rail and dock infrastructure.
- South Avenue Owner LLC – South Avenue Owner LLC is an affiliate of Dealer Storage is a storage and distribution hub for cars and vehicles and serves car dealerships and showrooms through the Tri-State area. Dealer Storage pays a fee of 10,000 per month for each acre of land at the Facility that is uses to store vehicles. Dealer Storage is a current recipient of IDA incentives for the acquisition of a parcel of land located adjacent to the Facility. Dealer Storage will not be receiving additional benefits as a result of the Project.

The Project will enable the existing companies to increase the volume of materials to be transported by rail and barge and reduce vehicle trips to the site. The Project will improve the existing rail infrastructure and dock which will enable the Facility to better serve future industrial tenants engaged in renewable energy production, concrete manufacturing, and soil remediation. Finally, the Project will replace aging asphalt manufacturing equipment with a more efficient plant.

Inducement

- I. The Affiliates have grown rapidly and need to make additional investments in property and equipment to accommodate growth.
- II. The Affiliates provide critical services to infrastructure and industrial projects that are of great importance to the City.
- III. Without assistance from the Agency, the Company has stated that it likely would not pursue the Project as Contemplated.

UTEP Considerations

The Agency finds that the Project meets one or more considerations from Section I-B of the Agency's Uniform Tax Exemption Policy ("UTEP"), including the following:

- I. The Project will create or retain permanent private-sector jobs.
- II. Financial assistance is required to induce the Project.
- III. The Project will generate approximately \$56,000,000 in private-sector investment.

Applicant Summary

The Affiliates were founded in 2015. Since their founding, the Affiliates have grown rapidly through increased contracts with government agencies including the Department of Citywide Administrative Services. The Affiliates accept various types of construction related waste including concrete, asphalt, rock, brick, and soil, and converts them into fill materials and asphalt, which are used by contractors on public and private projects. The Project will enable the Affiliates to continue to grow through increasing the amount of waste that can be accepted and transformed into usable materials. Increased use of more environmentally friendly rail and maritime infrastructure will accommodate such growth without resulting in an increase in truck traffic.

Trinity Group Holdings LLC

John Hogan, Chief Executive Officer

John Hogan is the founder of Richmond Recycling and Hogan Asphalt. With over 30 years of experience in the construction industry in New York and New Jersey, he has developed key relationships in the civil engineering, construction and waste industries. He has successfully bid for notable projects such as the World Trade Center, the Brooklyn Battery Tunnel, the Holland Tunnel, the Midtown Tunnel, the Verrazano Bridge, the Bayonne Bridge, the Goethals Bridge, LaGuardia Airport, numerous highways and a plethora of other government and privately funded projects. Hogan Asphalt currently holds the City contract for producing asphalt for Staten Island.

Raymond Casey, Chief Operating & Strategic Planning Office/ General Counsel

Raymond Casey is an attorney and former Commissioner/Chair of the New York City Trade Waste Commission (currently known as the Business Integrity Commission). His resume includes many positions inside New York City and State government. More recently, he has worked to represent businesses in industries regulated by the city or state government. He brings practical and encyclopedic knowledge of the intricacies of city and state licensing and permitting as well as all levels of necessary environmental compliance. Mr. Casey has extensive experience evaluating and managing all aspects of the waste and carting industry.

George Rose, Chief Financial Officer

George Rose is the CFO of Richmond Recycling and Hogan Asphalt. After successfully establishing and running an office in Tokyo for the New York Yankees, Mr. Rose founded The Rose Advisory Group, a consulting company which provides business expertise with a particular focus on the Japan-American business world. Mr. Rose has extensive experience in real estate and finance, both as a partner/controller in a real estate environment partnership and as a prior employee at Goldman Sachs.

Employee Benefits

The Affiliates will provide health insurance to full time employees, contributions to a retirement plan, and on-the-job training.

Recapture

Pursuant to UTEP, all benefits subject to recapture for a 10-year period.

SEQRA Determination

No significant adverse environmental impacts, staff recommends the Board adopt a negative declaration for the Project. The completed Environmental Assessment Form for the Project has been reviewed and signed by Agency staff.

Due Diligence

The Agency conducted a background investigation of the Company and its principals and found no derogatory information.

Compliance Check:	Not applicable
Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	ACA Coverage Offered
Bank Account:	Bank of America Merrill Lynch
Bank Check:	Relationships are reported to be satisfactory.

Trinity Group Holdings LLC

Supplier Checks:	Relationships are reported to be satisfactory.
Customer Checks:	Relationships are reported to be satisfactory.
Unions:	Not applicable
Vendex Check:	Satisfactory
Attorney:	Raymond Casey Esq. 2933 171 st Street Flushing, NY 11358
Accountant:	Steve Goldstein Grassi & Co. 488 Madison Avenue NY, NY 10022
Consultant/Advisor:	Valcia Miceli Val Funding Inc. 16 Clay Street New City, NY 10956
Community Board:	Staten Island, CB 2



Trinity Group Holdings

October 17, 2017

Mr. Krishna Omolade
New York City Industrial Development Agency
110 Williams Street
New York, NY 10038

Dear Mr. Omolade,

The attached application is being made by Trinity Group Holdings LLC, a New York Limited Liability Company formed to purchase and develop the subject parcel into a world class industrial space for businesses that promote recycling and a “greener” city. This development is centered on Staten Island within the designated “West Shore Green Zone.” Viewed as New York City’s “final frontier” of vacant, industrially zoned land, the West Shore Green Zone is beginning to blossom with many new businesses opening in the past several years. Since 2014, the SIEDC has assisted numerous businesses in relocating or expanding their existing operations on the West Shore, including New York Fragrance, Dealer Storage Corp., Indoor Extreme Sports, Penn Jersey Machinery, Richmond Precast, Staten Island Marine Development (SIMD) and Cubit Power. Matrix Development Group, a New Jersey-based developer and investment firm, recently purchased 200 acres of industrially zoned land from SIMD and is in the process of creating a platform for what will eventually be four logistics warehouses with 3.5 million square feet of distribution logistics space used by Amazon.com. The Subject Property is located one mile from this development.

The property at 1900 South Avenue is described as follows:

The Subject Property. The subject property (44 acres) is the largest single parcel of zoned manufacturing district M3-1 on Staten Island and is located in the West Shore Business Improvement District. In 2012, the Staten Island Economic Development Corporation (SIEDC) received a grant from the New York City Economic Development Corporation (NYCEDC) to create a new industrial Business Improvement District (BID) on Staten Island’s West Shore. The MTA is currently conducting a \$5 million Phase II study for a West Shore Light Rail to make travel for the area more convenient. As a sidebar, the West Shore has more usable waterfront than any other area in New York City. The subject property dock sits along the Arthur Kill River that leads to New York Harbor and costal points north and south.

The Property location (1900 South Ave. Staten Island) and existing attributes are both high value, intangible assets to site utilization. In addition to a 680-foot steel and concrete dock for barge access from the Arthur Kill River (an international shipping channel), the site houses one mile of rail with 100-car capacity that connects to both CSX Transportation and Norfolk Southern, both Class 1 rail carriers providing daily service. Two miles of additional

rail has already been approved and permitted, with expanding rail service as a site distribution advantage. Located at the elbow of Routes 278 and 440, the site has access to major trucking transportation arteries, and better access from major highways into the site than any industrial park in the entirety of New Jersey.

Therefore, this property has the potential, with careful development, to be a city gem providing various green initiatives that will support various city priorities including projects that will encourage the use of marine and rail transport options, taking many trucks off city streets, provide diversion of waste from landfills, promote recycling of construction debris and organics all while adding over 87 direct new jobs to the local economy.

Impacts from Projects in Development

Some of those projects are already underway. One is an Asphalt Plant – re-using many of the island's old roads and recycling them to produce the building material to improve the city's roads. That business, called Hogan Asphalt, currently holds the N.Y.C. Department of Transportation's contract to supply reclaimed asphalt for New York City. The recycled product is mixed with new materials and turned into new roadways. After acquisition of the subject property, the Trinity team plans to invest \$8.3 million to build a new, state of the art asphalt production plant. The new highly efficient plant will support the existing 23+ jobs as operating hours will increase and new technology will allow recycling of old road material to almost double. This will have many indirect benefits to the environment and over the longer term, reduce costs to customers, like the City of New York.

Currently, the subject property has a second business called Richmond Recycling, one of the largest recycling transfer stations, by volume, in the City of New York. It takes in used construction material and recycles it into re-usable construction materials. Richmond Recycling currently employs 18 people. Future development plans will redirect outbound material from truck to rail and barge transporting options benefiting the city. By increasing the types of future material processed by the operators we anticipate an increase of 17 total jobs related to the project.

Increased use of the subject property's Intermodal Permit will not only reduce truck emissions in the City, but alone will provide an additional 15 high-paying marine and rail operation jobs. This will bring the total in short term to at least 32 positions. The combination of the permit and improved infrastructure will allow both goods and raw materials, as well as other commerce to exploit water and rail transportation on and off Staten Island.

The projects listed above will be operational within the first 24 months of development as they are improvements and expansions of businesses Trinity already has underway with the support of our landlords. The expansions and increase in jobs directly relate to the investment possible after acquisition of the subject property.

By the end of year three, with additional permits and financing, the team anticipates the construction of an Anaerobic Digestion Plant ("A.D."), a concrete manufacturing plant, and a soil recycling/remediation plant to be operated by additional tenants. The A.D. plant potentially will support the administration's goals of reducing greenhouse gases and diverting waste by processing organic waste to produce energy, which can be transported through a pipeline adjacent to the subject property. It's that very pipeline that will allow the installation of a gas

compression and delivery plant and gas station to support further deployment of CNG trucks. This will produce another 55 direct jobs in addition to indirect construction jobs expected during development and construction of the aforesaid plant.

The concrete plant will not only produce high paying jobs, but provide concrete for the local market. That will not only lower costs but will reduce truck traffic, with concomitant emissions, by reducing deliveries from further away, including New Jersey.

Summary

In total, the Trinity development of 1900 South Avenue will have significant benefits for Staten Island and the City at large. In the first 24 months it will support 41 existing full-time jobs and add 32 full-time permanent jobs, as well as many temporary construction jobs during development. By the end of year three, 55 additional jobs will be created, totaling approximately 87 new full-time positions over the 3-year period, truck use will drop, and hundreds of thousands of tons of construction material will be recycled. These goals are consistent with the creation of the West Shore Green Zone and will create millions of dollars of direct and indirect positive economic impacts citywide. It all starts with the acquisition of the subject property, and if we have the much-needed support of the IDA and EDC. Unless the New York City IDA grants us the program benefits we feel will not be able to proceed with the project.

Sincerely,



George Rose
CFO

Trinity Group Holdings, LLC

Exhibit F

Resolution inducing the financing of an industrial facility for Trinity Group Holdings LLC and its affiliates Hogan Asphalt LLC and Richmond Recycling LLC, as a Straight-Lease Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

WHEREAS, New York City Industrial Development Agency (the “Agency”) is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, Trinity Group Holdings LLC (the “Applicant”), has entered into negotiations with officials of the Agency for the acquisition of an approximately 44 acre parcel of land and a 3,400 square foot one-story building and a 10,000 square foot garage thereon (the “Facility”), located at 1900 South Avenue, Staten Island, New York, the acquisition of machinery and equipment to be used for the production of asphalt, and the design and construction of property improvements including, but not limited to, marine and rail transport, office space and garage refurbishment, for lease to the Agency by the Applicant, a real estate holding company, and sublease by the Agency to the Applicant for subsequent sub-sublease in whole to Hogan Asphalt LLC and Richmond Recycling LLC (collectively, the “Companies”), and then for sublease in part to other industrial tenants engaged in concrete manufacturing, soil remediation, vehicle storage, energy production and other industrial uses, and having an approximate total project cost of approximately \$56,222,900 (the “Project”); and

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

WHEREAS, the Application sets forth certain information with respect to the Applicant, the Companies and the Project, including the following: that the Companies provide critical products for to infrastructure and industrial projects that are of great importance to The City of New York (the “City”); that the Companies have grown rapidly and need to make additional investments in property and equipment to accommodate such growth; that the Project will support various City priorities including projects that will encourage the use of marine and rail transport options, take trucks off City streets, provide diversion of waste from landfills, and promote recycling of construction debris and organics, all while adding over 17 direct new jobs to the local economy and reducing costs to the City; that the Applicant expects to employ approximately 58 full time equivalent employees within the three years following the completion of the Project; that the Applicant and the Companies must obtain Agency financial assistance in the form of a straight-lease transaction to enable the Applicant and the Companies to proceed with the Project and thereby remain and expand their operations in the City; and that, based upon the financial assistance provided through the Agency, the Applicant and the Companies desire to proceed with the Project and remain and expand their operations in the City; and

WHEREAS, based upon the 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 Applicant and the Companies are necessary to induce the Applicant and the Companies to remain and expand their operations in the City; and

WHEREAS, in order to finance a portion of the costs of the Project, (i) Bank Leumi USA (such financial institution, or any other financial institution as may be approved by a certificate of determination of an Agency officer, the “Lender”) has agreed to enter into a loan arrangement with the Applicant pursuant to which the Lender will lend approximately \$42,200,000 to the Applicant and/or the Companies, and the Agency and the Applicant and/or the Companies will grant a mortgage on the Facility to the Lender (the “Lender Mortgage”), (ii) Taurus Investment Holdings LLC, an unaffiliated international real estate development company, will make an equity investment of approximately \$11,000,000, and (iii) the Companies will contribute approximately \$3,000,000 of their own equity; and

WHEREAS, for purposes of refinancing from time to time the indebtedness secured by the Lender Mortgage (the “Original Mortgage Indebtedness”) (whether such refinancing is in an amount equal to or greater than the outstanding principal balance of the Original Mortgage Indebtedness), the Applicant may from time to time desire to enter into new mortgage arrangements, including but not limited to consolidation with mortgages granted subsequent to the Lender Mortgage, and therefore the Applicant may request the Agency to enter into the mortgage instruments required for such new mortgage arrangements (“Refinancing Mortgage(s)”); and

WHEREAS, in order to provide financial assistance to the Applicant and the Companies for the Project, the Agency intends to grant the Applicant and the Companies financial assistance through a straight-lease transaction in the form of real property tax abatements, sales tax exemptions and limited mortgage recording tax exemptions, all pursuant to the Act;

NOW, THEREFORE, NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that the Project and the provision by the Agency of financial assistance to the Applicant and the Companies pursuant to the Act in the form of a straight-lease transaction will promote and is authorized by and will be in furtherance of the policy of the State of New York as set forth in the Act and hereby authorizes the Applicant and the Companies to proceed with the Project. The Agency further determines that

(a) the Project shall not result in the removal of any facility or plant of the Applicant or any of the Companies or any other occupant or user of the Facility from outside of the City (but within the State of New York) to within the City or in the abandonment of one or more facilities or plants of the Applicant or any of the Companies or any other occupant or user of the Facility located within the State of New York (but outside of the City);

(b) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York; and

(c) not more than one-third of the total Project cost is in respect of facilities or property primarily used in making retail sales of goods or services to customers who personally visit such facilities within the meaning of Section 862 of the New York General Municipal Law.

Section 2. To accomplish the purposes of the Act and to provide financial assistance to the Applicant and the Companies for the Project, a straight-lease transaction is hereby authorized subject to the provisions of this Resolution and the Lease Agreement hereinafter authorized.

Section 3. The Agency hereby authorizes the Applicant and the Companies to proceed with the Project as herein authorized. The Applicant and the Companies are authorized to proceed with the Project on behalf of the Agency as set forth in this Resolution; provided, however, that it is acknowledged and agreed by the Applicant and the Companies that (i) nominal leasehold title to or other interest of the Agency in the Facility shall be in the Agency for purposes of granting financial assistance, and (ii) the Applicant and the Companies are hereby constituted the agents for the Agency solely for the purpose of effecting the Project, and the Agency shall have no personal liability for any such action taken by the Applicant or the Companies for such purpose.

Section 4. The execution and delivery of a Company Lease Agreement from the Applicant leasing the Facility to the Agency, an Agency Lease Agreement from the Agency subleasing the Facility to the Applicant (the "Lease Agreement") (for sub-sublease to the Companies), one or more Sales Tax Agent Authorization Letters from the Agency to the Applicant and/or the Companies, the Lender Mortgage, the Refinancing Mortgages and the acceptance of a Guaranty Agreement from the Companies, the Applicant and the Applicant's and the Companies' owners and/or principals in favor of the Agency (the "Guaranty Agreement") (each document referenced in this Section 4 being, collectively, the "Agency Documents"), each being substantively the same as approved by the Agency for prior transactions, is hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

Section 5. 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 cooperate with the Applicant and the Companies to assist in the Project.

Section 6. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in 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 or 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.

No covenant, stipulation, obligation or agreement herein contained or contained in the Agency Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Agency in his or her individual capacity and neither the members nor the directors of the Agency nor any officer executing any Agency Document shall be liable personally for any amounts payable thereunder or arising from claims thereon or be subject to any personal liability or accountability by reason of the execution and delivery or acceptance thereof.

Section 7. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, 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. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 8. Any expenses incurred by the Agency with respect to the Project shall be paid by the Applicant and the Companies. By acceptance hereof, the Applicant agrees to pay such expenses and further agrees 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 Project.

Section 9. This Resolution is subject to approval based on an investigative report with respect to the Applicant and the Companies. The provisions of this Resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 8 hereof).

Section 10. The Agency, as lead agency, is issuing this determination 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. This determination is based upon the Agency’s review of information provided by the Applicant and such other information as the Agency has deemed necessary and appropriate to make this determination.

The Agency has determined that the proposed project, an Unlisted action, pursuant to SEQRA and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The reasons supporting this determination are as follows:

- (a) The proposed Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels. The proposed improvements to barge and rail infrastructure would allow the company to minimize truck traffic on surrounding roads. The addition of other types of construction and demolition materials to the site’s processing facilities is not expected to generate significant amounts of additional truck traffic. The existing uses on the site would continue to comply with existing permit conditions;
- (b) The proposed Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood;
- (c) The proposed Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality. The proposed Project site is located within the City’s coastal zone boundary. Having reviewed the materials submitted by the Applicant regarding this action, the Agency finds that the proposed action is consistent with the policies comprising the City’s Waterfront Revitalization Program (WRP) and that the proposed action would not hinder the achievement of the WRP.

While the site has existing industrial uses and has been previously disturbed, it is located next to a number of natural areas. Any future development on the site would be subject to permitting under appropriate regulatory authorities;

- (d) The proposed Project would not result in a change in existing zoning or land use. The existing uses would be continue to be as-of-right under zoning. Portions of the site are located in the flood zone; any construction on these portions of the site would comply with all relevant standards and regulations related to construction within the flood zone
- (e) A Phase I Environmental Site Assessment (ESA) prepared for the site listed a number of existing and historic environmental conditions (using current database searches and a previously conducted Phase II Environmental Site Investigation) and recommended the preparation of a new Phase II. The Phase II was conducted in July 2017 indicated the presence of certain heavy metals and semi-volatile

organic compounds in subsurface soils, most probably attributable to the placement of historic fill many years ago. Groundwater samples also detected metals and organics contamination, also due to the presence of historic fill. Based on the results of the Phase II ESA, a Supplemental Phase II (delineation sampling) was performed to further define the extent of subsurface contamination. Delineation and characterization sampling has shown that the highest concentrations of heavy metals (arsenic and mercury) are very localized. Analyses show that there is no potential for the metals to leach into groundwater. These subsurface concentrations pose no threat to the environment or workers' health and safety if left in place. Three permanent groundwater monitoring wells were installed to confirm the results obtained during previous testing. Background metals concentrations found are not considered unusual for industrial sites.

It is recommended that dust on the site is maintained to a minimum and, where feasible, asphalt/concrete surfacing be put in place in the area of soil boring SB-23 (located in the middle of the site and delineated in the Phase II report) to prevent personnel from potential contact with the contamination found at depths greater than 6 feet. Groundwater monitoring samples should continue to be collected.

With the implementation of these aforementioned measures, the construction of the proposed Project is not expected to result in any adverse impacts related to hazardous materials;

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

Section 11. In connection with the Project, each of the Applicant and each of Companies covenants and agrees to comply, and to cause each of their respective contractors, subcontractors, agents, persons or entities to comply, with the requirements of General Municipal Law Sections 875(1) and (3), as such provisions may be amended from time to time.

(1) The Applicant and each of the Companies acknowledge and agree that pursuant to General Municipal Law Section 875(3) the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Applicant and/or the Companies New York State sales or use tax savings taken or purported to be taken by the Applicant or the Companies, and any agent or any other person or entity acting on behalf of the Applicant or the Companies, to which the Applicant or the Companies are not entitled or which are in excess of the maximum sales or use tax exemption amount authorized in Section 12 of this Resolution or which are for property or services not authorized or taken in cases where the Applicant or the Companies, or any agent or any other person or entity acting on behalf of the Applicant or the Companies, failed to comply with a material term or condition to use property or services in the manner required by this Resolution or any agreements entered into among the Agency, the Applicant, the Companies and/or any agent or any other person or entity acting on behalf of the Applicant or the Companies. The Applicant and the Companies shall, and shall require each agent and any other

person or entity acting on behalf of the Applicant and/or the Companies, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such New York State sales or use tax savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the “Commissioner”) to assess and determine New York State sales or use taxes due from the Applicant and/or the Companies under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

(2) The Applicant and the Companies are hereby notified (provided that such notification is not a covenant or obligation and does not create a duty on the part of the Agency to the Applicant or the Companies or any other party) that the Agency is subject to certain requirements under the General Municipal Law, including the following:

(i) In accordance with General Municipal Law Section 875(3)(c), if the Agency recovers, recaptures, receives, or otherwise obtains, any amount of New York State sales or use tax savings from the Applicant, any of the Companies, any agent or other person or entity, the Agency shall, within thirty days of coming into possession of such amount, remit it to the Commissioner, together with such information and report that the Commissioner deems necessary to administer payment over of such amount. The Agency shall join the Commissioner as a party in any action or proceeding that the Agency commences to recover, recapture, obtain, or otherwise seek the return of, New York State sales or use tax savings from Applicant or any of the Companies or any other agent, person or entity.

(ii) In accordance with General Municipal Law Section 875(3)(d), the Agency shall prepare an annual compliance report detailing its terms and conditions described in General Municipal Law Section 875(3)(a) and its activities and efforts to recover, recapture, receive, or otherwise obtain State sales or user tax savings described in General Municipal Law Section 875(3)(b), together with such other information as the Commissioner and the New York State Commissioner of Economic Development may require. Such report shall be filed with the Commissioner, the Director of the Division of the Budget of The State of New York, the New York State Commissioner of Economic Development, the New York State Comptroller, the Council of the City of New York, and may be included with the annual financial statement required by General Municipal Law Section 859(1)(b). Such report shall be filed regardless of whether the Agency is required to file such financial statement described by General Municipal Law Section 859(1)(b). The failure to file or substantially complete such report shall be deemed to be the failure to file or substantially complete the statement required by such General Municipal Law Section 859(1)(b), and the consequences shall be the same as provided in General Municipal Law Section 859(1)(e).

(3) The foregoing requirements of this Section 11 shall apply to any amounts of New York State sales or use tax savings that the Agency recovers, recaptures, receives, or otherwise obtains, regardless of whether the Agency, the Applicant, any of the Companies or any

agent or other person or entity acting on behalf of the Applicant or any of the Companies characterizes such benefits recovered, recaptured, received, or otherwise obtained, as a penalty or liquidated or contract damages or otherwise. The foregoing requirements shall also apply to any interest or penalty that the Agency imposes on any such amounts or that are imposed on such amounts by operation of law or by judicial order or otherwise. Any such amounts or payments that the Agency recovers, recaptures, receives, or otherwise obtains, together with any interest or penalties thereon, shall be deemed to be New York State sales or use taxes and the Agency shall receive any such amounts or payments, whether as a result of court action or otherwise, as trustee for and on account of New York State.

Section 12. In connection with the Project, the Agency intends to grant the Applicant and the Companies real property tax abatements, sales and use tax exemptions in an amount not to exceed \$923,000, and limited mortgage recording tax exemptions.

Section 13. This Resolution shall take effect immediately.

ADOPTED: December 12, 2017

Accepted: _____

TRINITY GROUP HOLDINGS LLC

By: _____
Name:
Title:

HOGAN ASPHALT LLC

By: _____
Name:
Title:

RICHMOND RECYCLING LLC

By: _____
Name:
Title:

Exhibit G

Project Summary

Grimm Ales LLC, (the “Company”) an artisanal brewery, and its affiliated real estate holding company, seek financial assistance in connection with the \$4,200,000 acquisition of an approximately 7,500 square foot building on an approximately 12,445 square foot parcel of land located in the East Williamsburg section of Brooklyn (the “Facility”), having a total project cost of approximately \$4,200,000. The Company will use the Facility to produce and store a variety of artisanal beer for distribution.

Current Location

151 11th Street
Brooklyn, New York 11215

Project Location

990 Metropolitan Avenue
Brooklyn, New York 11211

Actions Requested

- Authorizing Resolution for an Industrial Incentive Program transaction.

Prior Action

- Inducement Resolution approved June 14, 2016.

Anticipated Closing

January 2018

Impact Summary

Employment	
Jobs at Application:	2
Jobs to be Created at Project Location (Year 3):	12
Total Jobs (full-time equivalents)	14
Projected Average Hourly Wage (excluding principals)	\$16.00
Highest Wage/Lowest Wage	\$15.00/\$19.00

Estimated City Tax Revenues	
Impact of Operations (NPV 25 years at 6.25%)	\$ 2,923,536
Total Impact	\$ 2,923,536

Estimated Cost of Benefits Requested: New York City	
Building Tax Exemption (NPV, 25 years)	\$ 1,270,733
Land Tax Abatement (NPV, 25 years)	295,905
MRT Benefit	58,500
Agency Financing Fee	(60,000)
Total Cost to NYC Net of Financing Fee	\$ 1,565,138
Agency Benefits In Excess of As-of-Right Benefits	\$ 1,565,138

Grimm Ales LLC

Costs of Net City Benefits Per Job¹	
Estimated Net Cost of NYCIDA Benefits per Total Jobs	\$ 111,795
Estimated Net City Tax Revenue per Total Jobs	\$ 208,824

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$ 42,300
Total Cost to NYS	\$ 42,300

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Equity	\$ 200,000	5%
Commercial Loan	2,200,000	52%
SBA Loan	1,800,000	43%
Total	\$ 4,200,000	100%

Uses	Total Amount	Percent of Total Financing
Land & Building Acquisition	\$ 4,000,000	95%
Closing Fees	200,000	5%
Total	\$ 4,200,000	100%

Fees

	Paid At Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	\$ 60,000	
Project Counsel	30,000	
Annual Agency Fee	1,000	\$ 12,485
Total	\$ 91,000	\$ 12,485
Total Fees	\$ 103,485	

Financing and Benefits Summary

The Company will use an approximately \$2,200,000 commercial loan from New York Business Development Corporation (the "NYBDC Loan") and an approximately \$1,800,000 SBA 504 loan administered by Empire State Certified Development Corporation (the "ESCDC Loan") to purchase the Facility in early 2018. The NYBDC Loan will have a term of 10 years, a 20 year amortization period, bear interest equal to the 10-year Treasury plus 406 basis points, and be secured by a first mortgage on the Facility. The ESCDC Loan will have a term of 20 years, a 20 year amortization period, bear interest at an anticipated fixed rate of 4.8%, and be secured by a second mortgage on the Facility. Renovation work was previously completed. The Company will receive property tax abatements and a mortgage recording tax abatement from the Agency.

¹ Because the project is a startup operation, the number of jobs to be created at year three was used in the following calculations.

Grimm Ales LLC

Company Performance and Projections

The Company has demonstrated robust growth in sales, EBITDA, net income, net asset base and owners' equity over the past 3 years. Reports indicate high consumer demand for the Company's products, and a developing brand value recognized within the micro-brewing industry.

The Company is currently limited by small batch production at out-of-state breweries and is unable to meet consumer demand for its products. The acquisition and outfitting of the Facility in East Williamsburg will enable the Company to consolidate and expand operations in one of its largest markets, to increase production capacity and sales, to increase operating margins by reducing the cost of goods sold and shipping expenses, and to improve quality control.

Applicant Summary

The Company is an award winning artisanal beer producer founded in 2013 by husband and wife team, Joe and Lauren Grimm. The duo has quickly led the Company to the top tier of American craft beer prestige brands. In its first year of operation, the Company was named NYC's best brewery of 2014 by The Village Voice, and received a silver medal at The Great American Beer Festival. The Company has been profiled in publications such as BeerAdvocate, The Wall Street Journal, Edible Brooklyn, and Brooklyn Magazine.

The Company specializes in concise, elegant ales epitomizing the creative, experimental spirit of the American artisanal beer revolution. Dedicated to sourcing the best ingredients, the Company makes its beer using locally produced honey, specialty heirloom grains, and fruits as well as the best hops and grain from New York, the West Coast, and Europe.

The Company currently produces its beer at small out-of-state breweries, whose facilities and equipment they rent on a per-batch basis to produce their special recipes. Beers are transported into New York City by truck and distributed to local retail locations. The Company currently has no employees other than the two founders and anticipates creating 12 new full time equivalent positions.

Joe Grimm, Co-Founder

Mr. Grimm holds a bachelor's degree from Yale University, and went on to receive a MA in computer music and multimedia from Brown University, and a MFA in sound art from The School of the Art Institute of Chicago. During the Company's planning and startup phase, Mr. Grimm tended bar for three years at The Double Windsor. Working at one of Brooklyn's premiere craft beer venues, he gained insight into the behaviors and preferences of Brooklyn's most committed and finicky craft beer connoisseurs-- the customers whose word of mouth hold clout in the shifting craft beer landscape. Mr. Grimm is responsible for the day-to-day operations of the Company.

Lauren Carter Grimm, Co-Founder

Ms. Grimm holds a bachelor's degree from Brown University and a MFA in studio art from The School of The Art Institute of Chicago, where she was awarded a Ryerson Fellowship and an Oxbow Fellowship. She has worked as a teaching artist in Providence, RI and Chicago. Ms. Grimm is responsible for the strategic planning and management of the Company and its products.

Employee Benefits

The Company will offer health care to all full-time employees.

Recapture

Pursuant to UTEP, all benefits subject to recapture for a 10-year period.

Due Diligence

The Agency conducted a background investigation of the Company and its principals and found no derogatory information.

Grimm Ales LLC

Compliance Check: Not applicable

Living Wage: Exempt

Paid Sick Leave: Compliant

Affordable Care Act: Exempt

Bank Account: Bank of America

Bank Check: Relationship is reported to be satisfactory.

Supplier Checks: Relationships are reported to be satisfactory.

Customer Checks: Relationships are reported to be satisfactory.

Unions: Not applicable

Vendex Check: No derogatory information was found.

Attorney: Brendan Deriggi
Certilman Balin Adler & Hyman, LLP
90 Merrick Avenue
East Meadow, New York 11554

Accountant: Padma Vaidyanathan
The Pava Group, Inc
153 W. 23 Street
New York, New York 10011

Consultant/Advisor: Robert Morel
City One Associates, Inc.
2440 Broadway Suites 245
New York, New York 10024

Community Board: Brooklyn CB 1

GRIMM

Grimm Artisanal Ales
151 11th Street, #1
Brooklyn, New York 11215

April 24, 2016

Mr. Shin Mitsugi
NYC IDA / EDC
110 William St.
New York, NY 10038

Dear Mr. Mitsugi,

We are very proud of the awards and recognition that our artisanal ales have received since we founded our company in 2013. We have achieved this success under remarkable circumstances as a gypsy brewery carrying out all our production in out-of-state breweries. But it is time to bring our successes to New York City and start production here. We located a unique building in East Williamsburg that has the layout and capability to become an excellent brew house.

Due to the seller's requirements, this property however will not be available for purchase until January 2017 or later. But we need the help of the New York City IDA to provide us with long term real estate tax savings as well as an initial mortgage recording tax benefit so we can transform this facility into a commercial brewery. But we will not go forward with this renovation unless we know that the IDA will be there to help us with savings and help us grow. We must have the IDA Board approve our project at the June 2016 meeting prior to us spending our equity and securing an SBA machinery & equipment loan to properly set up the production facility. We will then close with the IDA and the real estate sometime in 2017 or thereafter.

As part of this large expansion project, our company will create 10 to 14 new well-paying positions and will be spending over \$1,300,000 on machinery and installation costs and thereby transforming ourselves into a successful Brooklyn-based brewery. However, without the IDA assistance of a 25 year Pilot and mortgage recording tax benefits we will not do this project. Our alternative is to continue to be a gypsy brewer bottling and producing out-of-state beers and just leasing this facility without making any improvements. It will be far less costly. But under this 2nd scenario, we would hire only one person and spend maybe \$75,000 installing a small walk-in freezer and a showroom. It will be a significantly smaller project. Our beer would still be produced in out-of-state locales, and trucked by distributors to the various retailers with a small amount of product being warehoused at our facility. This small project would not be our preference, but we would have no other choice as we could not afford the significant real estate acquisition costs and brewery construction costs on our own without IDA's help.

Thank you for considering our project and we look forward to hiring 10 to 14 employees and operating a very successful and prestigious company in New York City.

Sincerely,

Exhibit H

Resolution authorizing and approving the execution and delivery of agreements in connection with a Straight-Lease Project for Grimm Ales LLC, and its affiliate, Psychokinesis, LLC

WHEREAS, the New York City Industrial Development Agency (the “Agency”) is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, Grimm Ales LLC (the “Applicant”), has entered into negotiations with officials of the Agency for the acquisition of an existing facility (the “Facility”) consisting of the acquisition of an approximately 7,500 square foot building on an approximately 12,445 square foot parcel of land located at 990 Metropolitan Avenue, Brooklyn, New York, all for use by the Applicant in its operations as an artisanal beer producer, for lease to the Agency by Psychokinesis, LLC, a real estate holding company, or another affiliate of the Applicant to be formed (the “Company”), and sublease by the Agency to the Company for subsequent sub-sublease in whole to the Applicant, and having a total project cost of approximately \$4,200,000 (the “Project”); and

WHEREAS, on June 14, 2016, the Agency adopted a resolution approving the taking of preliminary action with respect to providing financial assistance in the form of a straight-lease transaction; and

WHEREAS, in order to finance a portion of the costs of the Project, (i) New York Business Development Corporation (such financial institution, or any other financial institution as may be approved by a certificate of determination of an Agency officer, the “Lender”) has agreed to enter into a loan arrangement with the Company pursuant to which the Lender will lend approximately \$2,200,000 to the Company, and the Agency and the Company will grant a mortgage on the Facility to the Lender (the “Lender Mortgage”), (ii) Empire State Certified Development Corporation (“ESCDC”) has agreed to enter into a loan arrangement with the Company pursuant to which ESCDC will lend approximately \$1,800,000 to the Company, and the Agency and the Company will grant a second mortgage on the Facility to ESCDC (the “ESCDC Mortgage”) or (iii) the Lender will provide bridge financing in the sum of approximately \$4,000,000 to the Company with respect to the loans to be made to the Company by the Lender and ESCDC, and the Company and the Agency will grant a mortgage on the Facility to the Lender (the “Bridge Mortgage”) which Bridge Mortgage will thereafter be refinanced with the Lender Mortgage and the ESCDC Mortgage; and

WHEREAS, for purposes of refinancing from time to time the indebtedness secured by the Lender Mortgage, the ESCDC Mortgage or the Bridge Mortgage (the “Original Mortgage Indebtedness”) (whether such refinancing is in an amount equal to or greater than the outstanding principal balance of the Original Mortgage Indebtedness), the Applicant and the

Company may from time to time desire to enter into new mortgage arrangements, including but not limited to consolidation with mortgages granted subsequent to the Lender Mortgage, the ESCDC Mortgage or the Bridge Mortgage; and therefore the Applicant or the Company may request the Agency to enter into the mortgage instruments required for such new mortgage arrangements (“Refinancing Mortgage(s)”); and

WHEREAS, in order to provide financial assistance to the Applicant for the Project, the Agency intends to grant the Applicant and the Company financial assistance through a straight-lease transaction in the form of real property tax abatements and limited mortgage recording tax deferrals, all pursuant to the Act;

NOW, THEREFORE, NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. To accomplish the purposes of the Act and to provide financial assistance to the Applicant for the Project, a straight-lease transaction is hereby authorized subject to the provisions of this Resolution and the Lease Agreement hereinafter authorized.

Section 2. The execution and delivery of a Company Lease Agreement from the Company leasing the Facility to the Agency, an Agency Lease Agreement from the Agency subleasing the Facility to the Company (the “Lease Agreement”) (for sub-sublease to the Applicant), the Lender Mortgage and the ESCDC Mortgage or the Bridge Mortgage and the Refinancing Mortgages and the acceptance of a Guaranty Agreement from the Company, the Applicant and the Applicant’s and the Company’s owners and/or principals in favor of the Agency (the “Guaranty Agreement”) (each document referenced in this Section 2 being, collectively, the “Agency Documents”), each being substantively the same as approved by the Agency for prior transactions, is hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

Section 3. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in 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 or 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.

No covenant, stipulation, obligation or agreement herein contained or contained in the Agency Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Agency in his or her individual capacity

and neither the members nor the directors of the Agency nor any officer executing any Agency Document shall be liable personally for any amounts payable thereunder or arising from claims thereon or be subject to any personal liability or accountability by reason of the execution and delivery or acceptance thereof.

Section 4. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, 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. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 5. This Resolution shall take effect immediately.

ADOPTED: December 12, 2017

Exhibit I

Project Summary

Western Beef Retail, Inc. (the “Applicant”), a Delaware corporation engaged in the supermarket retail business, and a to-be-formed affiliated real estate holding company (the “Company”), will own and operate a new full-service Western Beef Supermarket. The Company seeks financial assistance in connection with the acquisition, renovation, furnishing and equipping of an existing approximately 19,285 square foot facility located on an approximately 36,854 square foot parcel of land in the Bronx (the “Facility”). The Facility will be owned by the Company and operated by the Applicant as a full-service Western Beef Supermarket (the “Project”). The total Project cost is approximately \$23,345,079.

Project Location

4720 Third Avenue
Bronx, NY 10458

Actions Requested

Amended Authorizing Resolution

Prior Actions

- Inducement and Authorizing Resolution adopted November 8, 2017
- SEQRA determination that the proposed project is a Type II action and therefore no further environmental review is required approved November 8, 2017.

Anticipated Closing

December 2017

Amendment

The Project was originally authorized on November 8, 2017. Agency staff is now requesting that the Board approve an Amended and Restated Resolution to reflect the correct square footage of the Facility. The existing parcel of land was previously stated as approximately 18,350 square feet and the existing facility thereon was previously stated as approximately 18,505 square feet. The correct parcel of land square footage is approximately 36,854 and the correct existing facility square footage thereon is approximately 19,285. This change to the Project required a new public notice and public hearing but will not materially change the benefits previously approved.

Exhibit J

**RESOLUTION AMENDING A PRIOR RESOLUTION ADOPTED IN
CONNECTION WITH A STRAIGHT-LEASE TRANSACTION FOR
WESTERN BEEF RETAIL, INC.**

WHEREAS, the New York City Industrial Development Agency, New York, New York (the “Agency”) is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, pursuant to a resolution adopted by the Agency on November 8, 2017 (the “Prior Resolution”), the Agency authorized a straight-lease transaction for the benefit of Western Beef Retail, Inc. (the “Applicant”) in connection with a “project” within the meaning of the Act, consisting of an existing approximately 18,505 square foot facility on an approximately 18,350 square foot parcel of land located at 4720 Third Avenue, in Bronx, New York, all for the use by the Applicant as a supermarket, for lease to the Agency by an affiliated real estate holding company to be formed (the “Company”), and sublease by the Agency to the Company for subsequent sub-sublease in whole to the Applicant, and having an approximate total project cost of approximately \$23,150,000; and

WHEREAS, subsequent to the adoption of the Prior Resolution, the Applicant advised the Agency that the square footage of the facility and the land was inaccurate; and

WHEREAS, the Agency deems it advisable to amend the Prior Resolution to correct such inaccuracies as and to the extent set forth below;

**NOW, THEREFORE, NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
HEREBY RESOLVES AS FOLLOWS:**

Section 1. The second WHEREAS clause in the Prior Resolution shall be amended and replaced in its entirety as follows:

“**WHEREAS**, pursuant to a resolution adopted by the Agency on November 8, 2017 (the “Prior Resolution”), the Agency authorized a straight-lease transaction for the benefit of Western Beef Retail, Inc. (the “Applicant”) in connection with a “project” within the meaning of the Act, consisting of an existing approximately 19,285 square foot facility on an approximately 36,854 square foot parcel of land located at 4720 Third Avenue, in Bronx, New York, all for the use by the Applicant as a supermarket, for lease to the Agency by an affiliated real estate holding company to be formed (the “Company”), and sublease by the Agency to the Company for subsequent sub-sublease in whole to the Applicant, and having an approximate total project cost of approximately \$23,150,000 (the “Project”); and”

Section 2. This Resolution shall take effect immediately and shall amend and/or supplement the Prior Resolution to the extent set forth herein.

Section 3. The Prior Resolution is in all other respects ratified and confirmed.

ADOPTED: December 12, 2017

Exhibit K

PROJECT SUMMARY

On March 3, 2005 NCNA Realty, LLC (the “Lessee”) and Rapid Processing, LLC (the “Company”) entered into an industry incentive for the acquisition of an industrial facility all for use of processing paper. The facility is located at 58-35 47th Street, Maspeth, New York, consisting of approximately 37,000 square foot parcel of land and an approximately 37,000 square foot building thereon.

The Company is requesting approval of an asset sale to GPB Waste NY, LLC (“GPB Waste”) and the amendment of the project documents in connection therewith. GPB Capital Holdings, LLC (“GPB Capital”) is a New York-based global asset management firm with a focus on income-producing private equity and real estate. GPB Capital has an annual revenue of \$3.2 billion. GPB’s Waste Management division is a new division of the firm’s portfolio. GPB Waste passed Vendex, will assume all obligations under the IDA Agreement, and is committed to increasing the workforce at the facility.

No new benefits will be provided in connection with this Post-Closing Amendment request.

Project Locations

58-35 47th Street, Maspeth, New York 11378

Action Requested

Approve amendments to the project documents needed for the asset sale.

Prior Actions

No prior actions.

Fees Paid for Amendment

A Post-Closing fee of \$2,500 has been paid.

Due Diligence

A review of the Company’s compliance with project requirements revealed no outstanding issues.

Anticipated Closing

January 2018

Exhibit L

RESOLUTION OF THE NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING AND APPROVING CERTAIN MATTERS IN CONNECTION WITH ITS 2005 SMALL INDUSTRY INCENTIVE PROGRAM (STRAIGHT-LEASE) TRANSACTION FOR RAPID PROCESSING, LLC

WHEREAS, the New York City Industrial Development Agency (the “Agency”) is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, civic, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, on March 3, 2005, Rapid Processing, LLC (the “Applicant”) entered into a straight lease transaction with the Agency for the acquisition of an industrial facility (the “Facility”), consisting of the acquisition of an approximately 37,000 square foot parcel of land and an approximately 37,000 square foot building thereon, all for use in the processing of paper, located at 58-35 47th Street, Maspeth, New York, and having an approximate total project cost of \$3,250,000 (the “Project”); and

WHEREAS, in connection with the Project, NCNA Realty LLC (the “Company”) leased the Facility to the Agency pursuant to a Company Lease Agreement dated as of March 1, 2005 (the “Company Lease”), the Agency subleased the Facility to the Company pursuant to the Lease Agreement dated as of March 1, 2005 (the “Agency Lease”), and the Company sub-subleased the Facility to Rapid Processing LLC (the “Sublessee”) pursuant to a Sublease Agreement dated as of March 1, 2005 (the “Sublease Agreement”), and the Agency entered into various other agreements in connection with the Project, including a certain Guaranty Agreement (collectively, the “Transaction Documents”); and

WHEREAS, the Sublessee has advised the Agency that it desires to sell its assets to GPB Waste NY, LLC (“GPB”), with the result that (i) the Sublessee will assign the Sublease Agreement to GPB, and GPB will assume the obligations of the Sublessee under the Sublease Agreement, (ii) GPB will sub-sub-sublease the Facility to the Company, and (iii) the Company will sub-sub-sub-sublease the Facility to GPB, and the consent of the Agency has been requested to this transaction including to any amendments as may be necessary to the Transaction Documents (the “Amending Documents”) in connection therewith;

NOW, THEREFORE, NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY, HEREBY RESOLVES AS FOLLOWS:

Section 1. The execution and delivery of Amending Documents, each being substantially in the form approved by the Agency for prior transactions, is hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director, General Counsel

and Vice President for Legal Affairs of the Agency are each hereby authorized to execute, acknowledge and deliver each such Amending Document. The execution and delivery of each such Amending Document by one of said officers shall be conclusive evidence of due authorization and approval.

Section 2. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in the Amending 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 or the Amending 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.

No covenant, stipulation, obligation or agreement herein contained or contained in the Amending Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity and neither the members nor the directors of the Agency nor any officer executing any Amending Document shall be liable personally for any amounts payable thereunder or arising from claims thereon or be subject to any personal liability or accountability by reason of the execution and delivery or acceptance thereof.

Section 3. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, 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. The Agency recognizes that due to the unusual complexities of the financing it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director, General Counsel or Vice President for Legal Affairs to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by the certificate of determination of an Agency officer.

Section 4. This Resolution shall take effect immediately.

ADOPTED: December 12, 2017