

10/19/1999minutes

Minutes of a CDA Meeting held by the Town Board of the Town of Riverhead, at Town Hall, 200 Howell Avenue, Riverhead, New York, on Tuesday, October 19, 1999 at 7:00 P.M.

Present:

Vincent Villella,	Chairman
James Lull,	Member
Mark Kwasna,	Member
Philip Cardinale,	Member
Christopher Kent,	Member

Also Present:

Andrea Lohneiss,	Director
Barbara Grattan,	Town Clerk
Adam Grossman, Esq.,	Town Attorney

Chairman Villella called the meeting to order at 9:00 p.m.

Resolution #17

Andrea Lohneiss: "Resolution 17 authorizes the Chairman to execute a contract with New York State Urban Development Corporation/Empire State Development Corporation for a \$50,000 grant to the PBA."

Member Kent: "So moved."

Member Lull: "Second."

Chairman Villella: "Moved and seconded."

Andrea Lohneiss: "I'm sorry, was the second Mr. Lull?"

Chairman Villella: "Mr. Lull."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #18

Andrea Lohneiss: "Authorizes the Chairman to execute license agreements. These license agreements will permit three manufacturing companies to utilize existing vacant buildings at the Calverton site

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and to provide income to the Town of Riverhead. I'd like to point out that two of these businesses are present tonight and they're very anxious to occupy these buildings."

Chairman Villella: "Okay. We're very anxious also."

Member Kwasna: "I'll move the resolution."

Member Lull: "I'll second."

Chairman Villella: "Moved and seconded."

Member Cardinale: "I'd like to suggest at the request of the Town Attorney Laurie Dowd an inclusion of an additional Whereas clause, an additional Now Therefore clause. I'd like to read it as an addition to be considered by the Board as part of the motion to accept.

Whereas when a question arises regarding the applicability of one public agency zoning over another public agency a balancing of public interest is required.

Whereas among the competing interest to be weighed are the nature of the activity, the degree of and impact of the activity, the duration and extent of the activity, the impact of local interest and the availability of alternatives.

Now, therefore, such license as being proposed herein, such balancing of public interest took place-- I'm trying to remember-- "

Member Kent: "It could be a whereas rather than a-- "

Member Cardinale: "And whereas such balancing of the public interest has taken place in this instance, the Board now therefore concludes that the lease will be short term and that the-- the license being short term and the town zoning interests shall be appropriately addressed and that the same people who serve in different capacities as the governing members of the CDA and the town and that there is a clear mutuality of purposes and goals, this resolution is therefore accepted."

Chairman Villella: "How many amendments-- "

Member Cardinale: "There's two-- there's a whereas clause that

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she suggests-- "

Member Kent: "I suggest that if we're going to use that language that we should have a whereas clause that states that we make the following findings and that we find that the Board has balanced those interests and makes those findings that you state there."

Member Cardinale: "That's precisely what she's suggesting."

Member Kent: "So if we need-- if you feel that the Board needs to make those findings that the interests have been balanced and that the goals of both departments are best suited by entering into these agreements, I think that it's appropriate to add that language."

Member Cardinale: "Okay."

Member Kent: "And, but the resolve would not change. You would be adding two whereas clauses and a findings clause."

Member Cardinale: "That's correct. Okay, we restate it in that fashion as follows:

Whereas, when a question arises regarding the applicability of one public agency's zoning over another public agency's, a balancing of the public interest is required, and

Whereas, among the competing interests to be weighed on the nature of the activity, the degree of the impact of the activity, the duration and extent of the activity, the impact of local interest and the availability of alternatives-- "

Member Kwasna: "Now, does everybody understand that now?"

Member Cardinale: "You got that? Okay. This is from Laurie Dowd, our Town Attorney."

Member Kent: "Assistant. Assistant-- Deputy Town Attorney."

Member Cardinale: "Now, therefore-- Assistant-- Deputy Town Attorney, I'm sorry."

Now, therefore, the Board finds that the balancing of public interest as set forth herein-- "

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Member Kwasna: "In the license agreement."

Member Cardinale: "-- in these license agreements-- what are we trying to say? Now, therefore-- "

Member Kent: "Why don't we take a short break?"

Member Cardinale: "Yeah, what we want to do is add a paragraph and what I would suggest is that before we pass this, we add that paragraph and that we write it out so that it's very clear to the clerk. Okay?"

Member Kent: "And we should take-- maybe we should take a short break, Supervisor. Actually, I have another thing I'd like to discuss also."

Chairman Villella: "Why don't we go into my room and discuss this?"

Member Cardinale: "Okay."

Chairman Villella: "We'll be right back in about 10 minutes."

Meeting adjourned: 9:05 p.m.

Meeting reopened: 9:32 p.m.

Member Cardinale: "The whereas clause, I'd like to add the following:

Whereas, a balancing of public interest must be considered when one public agency's zoning affects another public agency.

Whereas, this Board has balanced such interests. Now this Board hereby makes the following findings.

1. The proposed license agreements are of short duration, allowing for the Town zoning ordinance to be complied with.
2. The proposed uses under the license agreements are consistent with the objectives of the Town zoning ordinance; and
3. There is a clear mutuality of purpose and goals since the same elected representatives serve as governing members of both the

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CDA and the Town Board.

With that addition, I move the resolution-- "

Member Kwasna: "I'll move it as amended."

Member Cardinale: "Okay, thank you."

Chairman Villella: "Is there a second?"

Member Lull: "Yes, I'll second it."

Chairman Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent."

Member Kent: "I would just like to put on the record also that by entering into these three license agreements, the Town would be-- or the CDA would be realizing approximately \$25,000 per month from rents-- from fees-- "

Member Kwasna: "On the license agreements."

Member Kent: "-- from fees accepted under these-- pursuant to these agreements. And with that, I'll vote yes."

The Vote (Cont'd.): "Kwasna, yes; Lull, yes; Villella, yes."

Andrea Lohneiss: "The vote on the resolution."

Member Kwasna: "I moved that as amended."

Andrea Lohneiss: "Oh, you did, okay."

Chairman Villella: "Yes, we already did."

Andrea Lohneiss: "Okay. The resolution is adopted."

Chairman Villella: "Okay, thank you, Andrea."

Andrea Lohneiss: "The meeting is closed."

Meeting closed: 9:34 p.m.

*Barbara Guattan
Town Clerk*

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Adopted

Town of Riverhead CDA

Resolution # 17

Authorizes CDA Chairman to Execute Contract with New York State Urban Development Corporation /Empire State Development Corporation

Member Kent offered the following resolution,

which was seconded by Member Lull:

WHEREAS, the CDA has applied for designation as a Build Now-NY site pursuant to an initiative of Governor George Pataki; and

WHEREAS, Governor Pataki has designated Calverton as Build Now-NY site for marketing by New York State Empire State Development Corporation and expedited permitting by regulatory agencies; and

WHEREAS, the designation provides a \$50,000 matching grant to the CDA.

THEREFORE, BE IT FURTHER RESOLVED, that the CDA hereby authorizes the Chairman to execute the attached Grant Disbursement Agreement to provide \$50,000 to the CDA.

THEREFORE, BE IT FURTHER RESOLVED, that the CDA authorizes the Town Attorney to provide the required opinion of counsel upon review.

THEREFORE, BE IT FURTHER RESOLVED, that the CDA authorizes the Director to fill all required documents, payment requisition forms and reports necessary to comply with the terms of the Grant Disbursement Agreement.

THEREFORE, BE IT FURTHER RESOLVED, that the Town Clerk is hereby authorized to provide a certified copy of this resolution to Community Development Agency Director Andrea Lohneiss.

The Vote:

Member Cardinale	<u>YES</u>
Member Kent	<u>YES</u>
Member Kwasna	<u>YES</u>
Member Lull	<u>YES</u>
Chairman Villella	<u>YES</u>

The Resolution is ADOPTED.

This **GRANT DISBURSEMENT AGREEMENT** includes all exhibits and attachments hereto and is made on the terms and by the parties listed below and relates to the Project described below:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT CORPORATION ("ESDC"):	633 Third Avenue New York, NY 10017 Contact: Marian Lee Phone: 212-803-3617 Fax: 212-803-3625
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THE GRANTEE:	Town of Riverhead Community Development Agency 200 Howell Avenue Riverhead, NY 11901 Contact: Andrea Lohneiss, Director Phone: 516-727-3200 x287 Fax: 516-727-5772
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THE PROJECT:	Build Now NY Initiative: Calverton Enterprise Park
PROJECT NUMBER:	F998
GRANT AMOUNT:	\$50,000
FUNDING SOURCE:	Aid to Localities

ESDC APPROVAL DATE: August 20, 1998

PACB APPROVAL DATE: Not Applicable

DATE AGREEMENT SIGNED BY ESDC: _____

DATE AGREEMENT SIGNED BY GRANTEE: _____

PROJECT COMPLETION DATE (from Exhibit A/A-1): February 28, 2000

TERMS AND CONDITIONS

1. The Project

- (a) The project will occur as described in Exhibit A and the ESDC Directors' materials attached. The Grantee will perform the tasks on the schedule and as described in Exhibit A to this Agreement.
- (b) The Grantee will submit to ESDC the reports as required in Exhibit B.
- (c) The Grantee will provide the disclosure required by Exhibit C with respect to any consultant whose expenses will be paid out of Grant proceeds.

2. Project Budget and Use of Funds

The Grantee will perform the project in accordance with the overall project budget, which includes the Grant funds, set forth in Exhibit D to this Agreement. The Grant will be applied only to eligible expenses, which are separately identified.

3. Books and Records

The Grantee will maintain accurate books and records concerning the Project for the term of this Agreement and for four (4) years from the expiration or earlier termination of this Agreement and will make those books and records available to ESDC, its agents, officers and employees during Grantee's business hours upon reasonable request.

4. Conditions Precedent to Disbursement of the Grant

No grant funds shall be disbursed until the following conditions have been satisfied:

- (a) ESDC has received an opinion of Grantee's counsel, in substantially the form appended to this Agreement as Exhibit E.
- (b) A certificate of approval of availability of funds has been issued by the Director of the Budget of the State of New York, and the Grant funds have been received by ESDC.

5. Disbursement

Subject to the terms and conditions contained in this Agreement, ESDC shall disburse the Grant to the Grantee as follows:

- (a) ESDC shall reimburse the Grantee, in the manner as set forth in Exhibit F, the amount of eligible expenses actually incurred by the Grantee, upon presentation to ESDC of a Payment Requisition Form, together with such supporting documentation as ESDC may require, in the form attached to this Agreement as Exhibit G and its attachments.
- (b) The last ten percent (10%) of the Grant shall not be disbursed by ESDC until all of the tasks and reports required under this Agreement have been completed to ESDC's satisfaction.
- (c) In no event will ESDC make any payment which would cause ESDC's aggregate disbursements to exceed the Grant amount.
- (d) the Grant, or a portion thereof, may be subject to recapture by ESDC as provided in Exhibit F.

6. Non Discrimination and Affirmative Action

The Grantee will comply with ESDC's Non-Discrimination and Affirmative Action policies set forth in Exhibit H to this Agreement.

7. No Liability of ESDC

ESDC shall not in any event whatsoever be liable for any injury or damage, cost or expense of any nature whatsoever that occurs as a result of or in any way in connection with the Project and the Grantee hereby agrees to indemnify and hold harmless ESDC, the State and their respective agents, officers, employees and directors (collectively, the "Indemnitees ") from and against any and all such liability other than that caused by the gross negligence or the willful misconduct of the Indemnitees.

8. Warranties and Covenants

The Grantee warrants and covenants that:

- (a) The Grant shall be used solely for Eligible Expenses in accordance with

the terms and conditions of this Agreement.

- (b) The Grantee is solely responsible and has sufficient funding for all Project costs in excess of the Grant.
- (c) No materials, if any, purchased with the Grant will be used for any purpose other than the Project.
- (d) The Grantee shall report in writing to ESDC any grants, commitments or funds received by the Grantee from any source, governmental or non-governmental, in connection with the carrying out of the Project, other than the grant of funds received under this Agreement. No part of the Grant will be applied to any expenses paid or payable from any other funding source.
- (e) Neither the Grantee nor any of the members of its Board of Directors or other governing body or its employees have given anything of value to anyone to procure the Grant or to influence any official act or the judgment of any person in the performance of any of the terms of this Agreement.
- (f) The Grant shall not be used in any manner for any of the following purposes:
 - (i) political activities of any kind or nature, including, but not limited to, furthering the election or defeat of any candidate for public, political or party office, or for providing a forum for such candidate activity to promote the passage, defeat, or repeal of any proposed or enacted legislation;
 - (ii) religious worship, instruction or proselytizing as part of, or in connection with, the performance of this Agreement;
 - (iii) payments to any firm, company, association, corporation or organization in which a member of the Grantee's Board of Directors or other governing body, or any officer or employee of the Grantee, or a member of the immediate family of any member of the Grantee's Board of Directors or other governing body, officer, or employee of the Grantee has any ownership, control or financial interest. For purposes of this paragraph, "ownership" means ownership, directly or indirectly, of more than five (5)

percent of the assets, stock, bonds or other dividend or interest bearing securities; and "control" means serving as a member of the board of directors or other governing body, or as an officer in any of the above; and

- (iv) payment to any member of Grantee's Board of Directors or other governing body of any fee, salary or stipend for employment or services, except as may be expressly provided for in this Agreement.

- (g) The relationship of the Grantee (including, for purposes of this paragraph, its officers, employees, agents and representatives) to ESDC arising out of this Agreement shall be that of an independent contractor. The Grantee covenants and agrees that it will conduct itself in a manner consistent with such status, that it will neither hold itself out as, nor claim to be, an officer, employee, agent or representative of ESDC or the State by reason hereof, and that it will not by reason thereof, make any claim, demand or application for any right or privilege applicable to an officer, employee, agent or representative of ESDC or the State, including without limitation, worker's compensation coverage, unemployment insurance benefits, social security coverage or retirement membership or credit.

- (h) Any report or other product of the Grant, after approval of such product by ESDC, shall contain the following acknowledgment:
"Funding provided by a grant from the
Empire State Development Corporation"

- (i) ESDC may make reasonable use of any report or other product of the Grant upon notice to the Grantee.

- (j) The information contained in the application submitted by the Grantee in connection with the Project and the Grant, as such application may have been amended or supplemented (the "Application"), is incorporated herein by reference in its entirety. In the event of an inconsistency between the descriptions, conditions, and terms of this Agreement and those contained in the Application, the provisions of this Agreement shall govern. The Grantee hereby acknowledges that ESDC has relied on the statements and representations made by the Grantee in the Application in making the Grant. The Grantee hereby represents and warrants that it has made no material misstatement or omission of fact in the Application or otherwise in

connection with the Grant and that the information contained in the Application continues on the date hereof to be materially correct and complete.

9. Default and Remedies

- (a) Each of the following shall constitute a default by the Grantee under this Agreement:
 - (i) Failure to perform or observe any obligation or covenant of the Grantee contained herein, including the failure by the Grantee to achieve the employment goals required herein, or the failure by the Grantee to perform the tasks or submit the reports required herein to the reasonable satisfaction of ESDC and within the time frames established therefor under this Agreement.
 - (ii) Failure to comply with any request for information reasonably made by ESDC to determine compliance by the Grantee with the terms of this Agreement or otherwise reasonably requested by ESDC in connection with the Grant.
 - (iii) The making by the Grantee of any false statement or the omission by the Grantee to state any material fact in or in connection with this Agreement or the Grant.
- (b) Upon the occurrence of a default by the Grantee and written notice by ESDC indicating the nature of the default, ESDC shall have the right to terminate this Agreement.
- (c) Upon any such termination, ESDC may withhold any Grant proceeds not yet disbursed and may require repayment of Grant proceeds already disbursed. If ESDC determines that any Grant proceeds had previously been released based upon fraudulent representations or other willful misconduct, ESDC may require repayment of those funds and may refer the matter to the appropriate authorities for prosecution. ESDC shall be entitled to exercise any other rights and seek any other remedies provided by law.

10. Project Audit

ESDC shall, upon reasonable notice, have the right to conduct, or cause to be

conducted, one or more audits, including field inspections, of the Grantee to assure that the Grantee is in compliance with this Agreement. This right to audit shall continue for four (4) years following the expiration or earlier termination of this Agreement.

11. Survival of Provisions

The provisions of Sections 3, 7 and 10 shall survive the expiration or earlier termination of this Agreement.

12. Notices

Each notice, demand, request or other communication required or otherwise permitted hereunder shall be in writing and shall be effective upon receipt if personally delivered or sent by any overnight service or 3 days after dispatch by certified mail, return receipt requested, to the addresses set forth on this document's cover page.

13. Assignment

The Grantee may not assign or transfer this Agreement or any of its rights hereunder.

14. Modification

This Agreement may be modified only by a written instrument executed by the party against whom enforcement of such modification is sought.

15. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. This Agreement shall be construed without the aid of any presumption or other rule of law regarding construction against the party drafting this Agreement or any part of it. In case any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such provision(s) had never been contained herein.

16. Confidentiality of Information

Information contained in reports made to ESDC or otherwise obtained by ESDC relating to trade secrets, operations and commercial or financial information, including but not

limited to the nature, amount or source of income, profits, losses, financial condition, marketing plans, manufacturing processes, production costs, productivity rates, or customer lists, provided that such information is clearly marked "Confidential" by the Grantee, will be kept confidential by ESDC, to the extent such information is determined by ESDC to be exempt from public disclosure under the Freedom of Information Law and not otherwise required by law to be disclosed. Notwithstanding the foregoing, ESDC will not be liable for any information disclosed, in ESDC's sole discretion, pursuant to the Freedom of Information Law or other applicable law, or which ESDC is required to disclose pursuant to legal process.

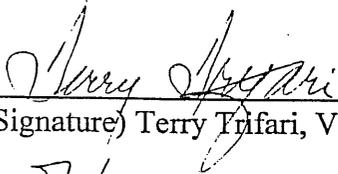
17. Special Provisions

The Grantee shall comply with the special provisions, if any, set forth in Exhibit I.

Town or Riverhead Community Development Agency
Build Now NY Initiative: Calverton Enterprise Park, Project #F998

This agreement is entered into as of the latest date written below:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
d/b/a EMPIRE STATE DEVELOPMENT CORPORATION



(Signature) Terry Trifari, Vice President Loans and Grants

10/1/99

(date)

GRANTEE: Town or Riverhead Community Development Agency

(Signature)

(Printed name and title)

(date)

ESDC GRANT DISBURSEMENT AGREEMENT

EXHIBITS

EXHIBIT A	Tasks
EXHIBIT A Appendix	Directors' Materials
EXHIBIT B	Report
EXHIBIT C	Consultant Disclosure Statement
EXHIBIT D	Project Budget
EXHIBIT E	Opinion of Counsel
EXHIBIT F	Disbursement Terms
EXHIBIT G	Payment Requisition Form
EXHIBIT G-1	Payment Requisition Cover Letter
EXHIBIT G-2	Payment Requisition Back-up Summary
EXHIBIT H	Non-Discrimination and Affirmative Action Policy
EXHIBIT I	Special Provisions (Intentionally Deleted)

EXHIBIT A: Project Description

Town or Riverhead Community Development Agency
Build Now NY Initiative: Calverton Enterprise Park, Project #F998

TASKS and TIMELINE

Include detailed task descriptions. Include dates of completion for each task.

Task #	Task Description	Anticipated Time Schedule	Person Responsible	Percent of Grant Reimbursable Upon Completion of Task
1	Sewer: Existing Conditions	10/99	Andrea Lohneiss	57%
2	New Sewer: Feasibility Study	12/99	Andrea Lohneiss	33%
	Project Completion Date	12/99	Andrea Lohneiss	
	Submit draft Final Report	1/15/00	Andrea Lohneiss	
	Submit Final Report	2/28/00	Andrea Lohneiss	10%

Empire State Development

For Consideration
August 20, 1998

TO: The Directors

FROM: Charles A. Gargano

SUBJECT: Shovel Ready NY

REQUEST FOR: Authorization to Enter into a Contract with Fluor Daniel Consulting and to Take Related Action for the Shovel Ready NY Project

Summary

Shovel Ready NY is a new Empire State Development (ESD) initiative to foster New York employment growth by strategically marketing "shovel ready" sites to fast-growing, job-creating companies. Through a process similar to the Chip Fab '98 Initiative. Empire State Development Corporation, the "Corporation" will enter into a contract with Fluor Daniel Consulting for the preparation of site development profiles and to act as ESD's site selection manager. The Directors are being requested to authorize the Corporation to enter into a contract with Fluor Daniel not to exceed \$164,800. The Directors are also requested to provide authorization for 30 matching grants at \$50,000 each, and related marketing expenses. The total amount requested under this authorization is \$1.8 million.

Background

In an effort to build off the success of Chip Fab '98, Empire State Development sought proposals from qualified site selection consultants for the purpose of identifying attractive commercial and industrial sites across the state and marketing them to fast-growing companies. Shovel Ready NY utilizes the same pre-permitting concept as Chip Fab '98, but is broader, in that it targets several types of site locations for a larger base of fast-growing companies.

The strategy is threefold - 1) develop land use profiles and site selection criteria for expanding business location needs; 2) provide seed money to local economic developers to undertake necessary site preparation and permitting for these types of sites; and 3) strategically market these "ready to go" sites to fast growing companies in search of new business locations.

To initiate Shovel Ready NY, ESD sought proposals from qualified site location consulting firms to develop (7) profiles showing the site characteristics needed to identify properties that can be developed and marketed to targeted industries. The seven site profiles include: Research & Development; Manufacturing; Light Industrial Park; Office Park; Warehouse/Distribution; Mixed Use Business Park; and Retail facilities. Each development profile will provide the impact, design and engineering requirements of a typical target industry facility. The consultant deliverables will be divided into 3 phases – Phase I (Generic Site Profiles), Phase II (Detailed Site Profiles), Phase III (Site Selection).

Once the profiles are developed, local governments, local development corporations, and Industrial Development Agencies will nominate sites across the state as potential locations for one or more of the development profiles. Through a competitive site selection process, thirty sites will be awarded up to \$50,000 each in matching grants to be used to begin environmental review, zoning changes, and other site preparation and approvals necessary for the particular development profile. (Please note retail sites are not eligible for matching grants.) ESD will market these “shovel ready” sites to fast-growing companies.

The entire initiative including the 30 grants (@ \$50,000 each) and consultant fees and marketing expenses will cost approximately \$1.8 million (\$1.5 million for matching grants; \$114,800 for consultant services; \$50,000 for potential consultant fees for the development of additional site profiles; and \$135,200 for various marketing and promotional activities).

After completing the required Request for Proposal (“RFP”) process, the six-member selection committee reviewed all submitted proposals. These proposals were evaluated on the basis of price, experience, and competency. Based on these criteria, the selection committee found Fluor Daniel to be best qualified to perform this function for the Corporation.

Findings

Empire State Development has seen a significant shortage in the number of available sites for businesses seeking to locate or expand in New York State. For many businesses seeking new locations, the “real estate” readiness of a particular site, or how long a lead time before a site has all the necessary site approvals is a critical site location factor. This shortage of sites leads to missed opportunities, and sometimes unemployment. At the same time, ESD has seen an increase in the use of site selection consulting firms as the key intermediary for firms seeking to locate in New York. These firms typically assess the critical site location criteria from a prospective business and identify the most attractive sites based on those criteria. For these consultants, one of the most critical site selection criteria is the “shovel ready” status of the site.

This initiative seeks to utilize the expertise of a site selection firm to actually increase the number of ready-to-go sites for businesses seeking to locate or expand in New York. This initiative will assist communities and local economic developers to

quantify their assets and the shovel ready status of various sites; provide resources to identify and eliminate potential barriers to site development; and provide incentives to communities to undertake the environmental, zoning or other reviews necessary to reduce the lead time for new businesses seeking to locate on the site.

Funding for this initiative will come from the 1998-99 New York State Budget ~~State Operation Fund~~ for services and expenses of economic development projects.

Aid to Local's fund
Requested Action

Authorization is hereby requested from the Directors to enter into a contract with Fluor Daniel not to exceed \$164,800 for the 3 phases of the Shovel Ready NY project – Phase I (Development of Generic Site Profiles), Phase II (Development of Detailed Site Profiles), Phase III (Site Selection Process). The Directors are also requested to provide authorization for \$1.8 million for the 30 matching grants at \$50,000 each, and related marketing expenses.

Attachments
Resolution

EXHIBIT B: Report

Build Now NY Initiative: Calverton Enterprise Park, Project #F998

All projects must submit a Final Report, including those projects which create a Final Work Product (e.g. brochure, guide, video, or other materials). The draft Final Work Product must be submitted for ESDC review as per Exhibit A. The Final Work Product does not take the place of the Final Report, which outlines the project's goals, implementation, results and challenges. This Final Report shall first be submitted to ESDC in draft form, for review and comment. ESDC will have a period of 30 days from receipt of the draft Final Report in which to perform its review. The last disbursement of Grant funds, pursuant to Section 5 of the Grant Disbursement Agreement, will not be made until the Final Report, incorporating ESDC's comments on the draft Final Report, is received by ESDC.

Date of report: _____ Type of report: (circle one) Interim (#____) Final

If Final Report: Amount of Grant: \$50,000 Total Program Cost: \$ _____
Project start date: _____ Project completion date: _____

Attach additional pages to answer the following questions:

- I. Describe the goals of the project.
- II. Describe the steps implemented to achieve those goals (to date).
- III. Describe specific results of the Project (to date).
- IV. Evaluate the Project's overall effectiveness (to date).
- V. Describe any challenges or unexpected events that arose in implementing the Project (to date).
- VI. (The answer to the following question may be submitted under separate cover to:
VP Loans & Grants, ESDC, 633 Third Avenue NY, NY 10017)
We would appreciate feedback regarding this ESDC program. Please comment on any interactions you had with ESDC or DED before applying for funds, on the application and project approval process, on the payment reimbursement process, or on any other interactions with ESDC related to the project, and whether you would use this program again or recommend it to other organizations/businesses.

EXHIBIT C: Consultant Disclosure Statement

Town or Riverhead Community Development Agency
Build Now NY Initiative: Calverton Enterprise Park, Project #F998

- (a) Notwithstanding anything to the contrary in this Agreement, Grant funds relating to the expenses of a consultant will not be disbursed by ESDC and will not be considered an expense eligible for use of Grant funds, unless ESDC has approved, in writing, the selection of the consultant and the consulting contract. Such approval must be sought and obtained before the execution of the consulting contract, unless the contract was executed prior to applying for ESDC funds. The Grantee will complete and submit to ESDC the form on the following page, or a disclosure statement which includes, as applicable to the project, the following:
- (i) a copy of the consulting contract, in substantially final form, at least 15 days prior to the execution thereof;
 - (ii) a description of the selection process (including efforts to involve Minority and/or Women-owned Business Enterprises, as defined in Exhibit E);
 - (iii) a description of the consultant's qualifications; and
 - (iv) a description of any relationship between the grantee and the consultant, or any of its employees or affiliates, including a listing of all contracts, either currently in effect or which have been in effect over the past 2 years, between all such parties and a description of the subject of such contracts.

Grantee will promptly supply ESDC with a copy of the executed consulting contract.

- (b) If the consultant was selected before ESDC approved the making of the Grant, the Grantee will submit to ESDC for its approval the information required in this form and a copy of the executed contract.

EXHIBIT C (page 2)

Attach additional pages as necessary.

I. Consultant Identification

A. Proposed Consultant: _____

B. Description of Selection Process (including efforts to involve M/WBEs): _____

C. Description of Qualifications: _____

D. Relationship with Consultant. Set forth below is a listing of all existing and prior (over the past 2 years) contracts between the Grantee, or any of its employees or affiliates, and the proposed consultant, or any of its employees or affiliates, and a description of the nature and subject of the contracts. If there are no existing or prior relationships between these parties, please indicate "None". _____

E. Contracting Parties: _____

F. Term of Agreement: _____

G. Brief Description of Services: _____

H. Total Amount of Contract: \$ _____

II. Contract Attach a copy of the proposed consulting contract.

The above information is true and complete to be best of my knowledge and I am authorized to act on behalf of the Grantee with respect to the matters disclosed within.

Signature: _____ Print Name: _____

Title: _____ Date: _____

EXHIBIT D: Project Budget

Town of Riverhead Community Development Agency
Build Now NY Initiative: Calverton Enterprise Park, Project #F998

USES	ESDC Eligible Expenses	SOURCE: Town of Riverhead Community Development Agency	TOTAL
Existing Sewer Conditions & New Sewer Feasibility Study	50,000	69,000	119,000
Total Project Cost:	\$50,000	\$69,000	\$119,000

ESDC TRAVEL EXPENSE REIMBURSEMENT POLICY

REIMBURSEMENT FOR APPROVED TRAVEL MAY NOT EXCEED THE FOLLOWING LEVELS:

Personal Car Mileage	\$.325 per mile; actual for trips, site visits, meetings, and to/from airport.
Personal Car-Overtime	Actual - \$40.00 limit on overtime (including mileage rate, tolls, parking)
Car Rental (compact category)	Actual, not to include Collision Damage Waiver insurance
Airline (coach category) & other Public Transportation	Actual
Taxi Fares	Actual - \$40.00 limit on overtime

EXHIBIT E: Opinion of Counsel

[Letterhead of Counsel to the Grantee]

[Date]

Empire State Development Corporation
633 Third Avenue
New York, New York 10017

Attn: Marian Lee

Re: Build Now NY Initiative: Calverton Enterprise Park, Project #F998

Ladies and Gentlemen:

I have acted as counsel to Town or Riverhead Community Development Agency (the "Grantee") in connection with the project referenced above. In so acting, I have reviewed a certain Grant Disbursement Agreement between you and the Grantee dated [Date of Agreement] (the "Agreement") and such other documents as I consider necessary to render the opinion expressed hereby.

Based on the foregoing, I am of the opinion that:

1. the Grantee is duly organized, validly existing and in good standing under the laws of the State of New York [or, is duly organized and validly existing under the laws of another jurisdiction and is authorized to do business and is in good standing in the State of New York] and has full power and authority to execute and deliver the Agreement and to perform its obligations thereunder; and
2. the Agreement was duly authorized, executed and delivered by the Grantee and is binding on and enforceable against the Grantee in accordance with its terms.

Very truly yours,

EXHIBIT F: Disbursement Terms

Town of Riverhead Community Development Agency
Build Now NY Initiative: Calverton Enterprise Park, Project #F998

Subject to the terms and conditions contained in this Agreement, ESDC shall disburse the Grant to the Grantee as follows:

ESDC shall reimburse the Grantee, no more frequently than monthly, Eligible Expenses (as set forth and in accordance with the budget in Exhibit D) actually incurred by the Grantee, in compliance with Exhibit A and upon presentation to ESDC of a Payment Requisition Form together with such supporting documentation as ESDC may require, in the form attached to this Agreement as Exhibit G and its attachments. As stated in Section 5, paragraph (b) of this Agreement, the final ten percent (10%) of the Grant shall not be disbursed by ESDC until all of the tasks and reports required have been completed to ESDC's satisfaction.

EXHIBIT G: Payment Requisition Form

Build Now NY Initiative: Calverton Enterprise Park, Project #F998

Payment Request # _____, for \$ _____

For work completed between _____ and _____, for Task(s) # _____

THIS REQUEST

USES	A: ESDC SHARE	ESDC APPROVED REVISIONS	C: THIS REQUEST	D: TOTAL REQUESTED TO DATE	E: A-C-D BALANCE
Exist. Conditions & New Sewer Feasibility Stdy.	50,000				
TOTAL	50,000				
(Advance)					
(Retainage)	5,000				
AVAILABLE	45,000				

FUNDING STATUS

	TOTAL	ESDC	Town of Riverhead
FUNDS COMMITTED	119,000	50,000	69,000
FUNDS SPENT TO DATE			
BALANCE			

CERTIFICATION

I hereby warrant and represent to the Empire State Development Corporation ("ESDC") that:

- 1) To the best of my knowledge, information and belief, the expenditures for which Town or Riverhead Community Development Agency is seeking payment and/or reimbursement comply with the requirements of the Agreement between ESDC and Town or Riverhead Community Development Agency, are Eligible Expenses, and that the payment and/or reimbursement of expenditures for which it is seeking payment and/or reimbursement from ESDC does not duplicate reimbursement or disbursement of costs and/or expenses from any other source.
- 2) I have the authority to submit this invoice on behalf of Town or Riverhead Community Development Agency. The tasks have been completed in the manner outlined in the Agreement.
- 3) I hereby attach the following documents for ESDC approval, in support of this requisition:

- Interim or Quarterly Report
- Final Report
- Work Products for Task(s) # _____ as set forth in Exhibit A
- Invoices/receipts for Eligible Expense goods/services received this pay period with Back-up Summary (Exhibit G-2)
- Other: _____

Signature _____ Date: _____

Print Name _____ Title: _____

EXHIBIT G-1: Payment Requisition Cover Letter

ON GRANTEE'S LETTERHEAD

Date

Marian Lee, Project Manager
Empire State Development Corporation
633 Third Avenue
New York, New York 10017

RE: Build Now NY Initiative: Calverton Enterprise Park, Project #F998

Dear Ms. Lee:

Enclosed please find our request for payment/reimbursement. The package includes the following:

1. Completed Exhibit G: Payment Requisition Form
2. Interim/Final report as specified in Grant Disbursement Agreement (Exhibit B)
3. Supporting documentation and invoices, as summarized on Exhibit G-2

If any further information is needed, please give me a call at () _____.

Signature

Print Name

Enclosures

EXHIBIT H: Non-Discrimination and Affirmative Action Policy

NON-DISCRIMINATION AND AFFIRMATIVE ACTION POLICY FOR THE PROJECT

It is the policy of the State of New York and ESDC, to comply with all federal, State and local law, policy, orders, rules and regulations which prohibit unlawful discrimination because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status, and to take affirmative action to ensure that Minority and Women-owned Business Enterprises (M/WBEs), Minority Group Members and women share in the economic opportunities generated by ESDC's participation in projects or initiatives, and/or the use of ESDC funds. The recipient of State funds represents that its equal employment opportunity policy statement incorporates, at a minimum, the policies and practices set forth below:

- 1) Grantee shall (i) not unlawfully discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, sexual orientation, age, disability or marital status, (ii) undertake or continue existing programs of affirmative action to ensure that Minority Group Members and women are afforded equal employment opportunities, and (iii) make and document its conscientious and active efforts to employ and utilize M/WBEs, Minority Group Members and women in its workforce on contracts. Such action shall be taken with reference to, but not limited to, solicitations or advertisements for employment, recruitment, job assignment, promotion, upgrading, demotion, transfer, layoff or termination, rates of pay or other forms of compensation, and selection for training or retraining, including apprenticeship and on-the-job training.
- 2) Grantee represents and warrants that, for the duration of the Agreement, it shall furnish all information and reports required by the ESDC Affirmative Action Unit and shall permit access to its books and records by ESDC, or its designee, for the purpose of ascertaining compliance with provisions hereof.

NON-DISCRIMINATION AND AFFIRMATIVE ACTION DEFINITIONS

Affirmative Action

Shall mean the actions to be undertaken by the Borrower, Grantee and any Contracting Party in connection with any project or initiative to ensure non-discrimination and Minority/Women-owned Business Enterprise and minority/female workforce participation.

Minority Business Enterprise (MBE)

Shall mean a business enterprise, including a sole proprietorship, partnership or corporation that is: (i) at least fifty-one percent (51%) owned by one or more Minority Group Members; (ii) an enterprise in which such minority ownership is real, substantial and continuing; (iii) an enterprise in which such minority ownership has and exercises the authority to control and operate, independently, the day-to-

day business decisions of the enterprise; (iv) an enterprise authorized to do business in the State of New York and is independently owned and operated; and (v) an enterprise certified by New York State as a minority business.

Minority Group Member

Shall mean a United States citizen or permanent resident alien who is and can demonstrate membership in one of the following groups: (i) Black persons having origins in any of the Black African racial groups; (ii) Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American descent of either Indian or Hispanic origin, regardless of race; (iii) Asian and Pacific Islander persons having origins in any of the Far East countries, South East Asia, the Indian subcontinent or the Pacific Islands; and (iv) Native American or Alaskan native persons having origins in any of the original peoples of North America.

Women-owned Business Enterprise (WBE)

Shall mean a business enterprise, including a sole proprietorship, partnership or corporation that is: (i) at least fifty-one percent (51%) owned by one or more citizens or permanent resident aliens who are women; (ii) an enterprise in which the ownership interest of such women is real, substantial and continuing; (iii) an enterprise in which such women ownership has and exercises the authority to control and operate, independently, the day-to-day business decisions of the enterprise; (iv) an enterprise authorized to do business in the State of New York and is independently owned and operated; and (v) an enterprise certified by New York State as woman-owned.

EXHIBIT I: SPECIAL PROVISIONS

Intentionally Deleted

Town of Riverhead Community Development Agency

Adopted

Resolution # 18

Authorizes Chairman to Execute License Agreements

Member Kwasna offered the following resolution,

which was seconded by Member Lull:

WHEREAS, Michael Reilly Design has requested use of Building 06-04 at the Calverton site beginning November 1, 1999 for up to six months; and

WHEREAS, Stony Brook Manufacturing has requested use of Building 06-42 at the Calverton site beginning November 1, 1999 for up to six months; and

WHEREAS, Global Marine has requested use of Building 06-74 at the Calverton site beginning November 1, 1999 for up to six months; and

WHEREAS, Calverton Camelot, LLC. has requested Town Board consent to the subject License Agreements; and

WHEREAS, the balancing of public interests must be considered when one public agency's zoning affects another public agency; and

WHEREAS, this Town Board has balanced such interests and hereby makes the following findings:

1. The proposed license agreements are of short duration allowing for the Town's zoning ordinance to be complied with;
2. That proposed uses under the license agreements are consistent with the objectives of the Town's Zoning Ordinance;
3. There is a clear mutuality of purpose and goals in this action being that the same elected representatives serve as members of the CDA and the Town Board; and

WHEREAS, the CDA will realize net income of \$4 per square foot during the license period.

THEREFORE, BE IT RESOLVED, that the CDA hereby authorizes the Chairman to execute license agreements substantially in the form attached hereto.

AND BE IT FURTHER RESOLVED, that the Town Clerk shall provide a certified copy of this resolution to Community Development Agency Director Andrea Lohneiss.

The Vote:

Member Kwasna	<u>YES</u>
Member Kent	<u>YES</u>
Member Cardinale	<u>YES</u>
Member Lull	<u>YES</u>
Chairman Villella	<u>YES</u>

THIS RESOLUTION IS ADOPTED.

LICENSE

LICENSE ("License"), made as of the 1st day of November, 1999, by and between **THE TOWN OF RIVERHEAD COMMUNITY DEVELOPMENT AGENCY**, having an address at 200 Howell Avenue, Riverhead, New York 11901, Attention: Andrea Lohneiss ("Licensor"), and **STONY BROOK MANUFACTURING**, a _____ having an address at _____ Attention: _____ ("Licensee").

W I T N E S S E T H:

WHEREAS, Licensor desires to license to Licensee, and Licensee desires to license from Licensor, the right to use approximately 11,356 square feet in building #06-42 (the "License Premises") located at the property formerly known as the Naval Weapons Industrial Reserve Plant, Department of Defense Number 466, Calverton, New York (the "Calverton Site"), upon all of the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, Licensor and Licensee, for themselves, their successors and assigns, hereby agree as follows:

1. **LICENSING**. Upon the terms and conditions hereinafter set forth, Licensor hereby licenses to Licensee, and Licensee hereby Licenses from Licensor, the right to use the License Premises.

2. **TERM OF LICENSE**. The term of this License (the "Term") shall commence on November 1, 1999 (the "License Commencement Date") and shall end on the earlier of (a) May 1, 2000 and (b) the date on which the closing shall occur under that certain Agreement of Sale dated as of June 15, 1999 between Licensor and Calverton/Camelot LLC (in either case, the "Expiration Date") or on such earlier date upon which this License shall expire or be canceled or terminated pursuant to any of the conditions or covenants of this License or pursuant to law. Notwithstanding anything to the contrary contained in this License, Licensor shall have the right, exercisable in its sole discretion, to terminate this License effective immediately upon written notice from Licensor to Licensee, if (i) Licensee shall default under or be in breach, of in any of its obligations, representations or warranties hereunder and (ii) such default continues for (x) five days after written notice from Licensor with respect to monetary defaults or (y) thirty days after written notice from Licensor with respect to nonmonetary defaults. If Licensor shall so terminate this License, from and after the termination date neither party hereto shall have any rights or obligations hereunder other than those that, pursuant to the express terms hereof, survive termination of this License; provided that Licensee shall remain liable to Licensor for any default or breach by Licensee that occurred prior to such termination. Furthermore, this License is not, and shall not be construed to

be, a lease or a sublease and nothing contained in this License shall be construed as granting to Licensee any interest or right as tenant or subtenant or any other interest or right other than the interest of a Licensee in accordance with the terms and provisions hereof.

3. CONDITION OF LICENSE PREMISES. Licensee agrees to accept the License Premises "as is," and Licensor shall have no obligation to perform any work or repairs on behalf of Licensee. Licensee acknowledges that no representations with respect to the condition of the License Premises, or with respect to any improvements or fixtures thereon or attached thereto, have been made to it.

4. SECURITY DEPOSIT. Licensee shall deposit with Licensor on the date hereof an amount equal to \$3,785 as security for the faithful performance and observance by Licensee of the terms, conditions and provisions of this License. If a default shall occur and be continuing hereunder, Licensor may apply or retain the whole or any part of the security so deposited to the extent necessary to cure such default. Upon termination of this License, Licensor shall return to Licensee such deposit, less any amounts to which Licensor is entitled pursuant to the terms hereof.

5. LICENSE FEE. Licensee shall pay to Licensor, in accordance with Section 6 hereof (a) on the date hereof an amount equal to \$11,355 and (b) on the first business day of each month commencing with February, 2000, an amount equal to \$3,785 (all of the amounts to be paid by Licensee hereunder, collectively, the "Fee"). In the event that the Term shall terminate on a day other than the last day of a calendar month or in the event that the Term shall terminate prior to January 31, 2000, Licensor and Licensee shall equitably prorate the amount of the Fee actually paid to Licensor for such period.

Licensee covenants and agrees that in no event shall Licensee permit any motor vehicle to (1) enter the Calverton Site other than through the Access Point (as defined below) or (2) park anywhere other than the Parking Area. Licensee further covenants and agrees not to permit any person that is not in a motor vehicle to enter the Calverton Site. Notwithstanding the foregoing, Licensee shall be permitted to admit pedestrians into the Calverton Site to the extent necessary to ensure the safety of such pedestrians.

6. PAYMENT. The Fee and all other charges, costs and expenses payable by Licensee under this License shall be paid by certified check made payable to the order of The Town of Riverhead Community Development Agency and delivered to Andrea Lohneiss at the address provided for Licensor in the preamble to this License, without notice or demand therefor (except to the extent otherwise expressly provided herein) and without any deduction, credit, set-off, counterclaim or abatement whatsoever. In every case in which Licensee is required to pay to Licensor a

sum of money and said sum (or any portion thereof) is not paid when due, interest at an annual rate of 12% shall be payable on such sum (or so much thereof as shall be unpaid) from the date said sum becomes due until the date the unpaid amount is paid.

7. USE; COVENANTS. (a) Licensee shall use the License Premises only for metal fabrication (the "Uses"), to prepare the License Premises for the same and to clean and restore the License Premises, in each case, in accordance with, and subject to, the terms and provisions of this License.

(b) Licensee, at its own cost and expense, shall protect, maintain, and keep in good order, the License Premises.

(c) No additions to, or alterations of, the License Premises shall be made without the prior consent of Licensor. Upon revocation or surrender of this License, to the extent directed by Licensor, Licensee shall remove all alterations, additions, betterments and improvements made, or installed, and restore the License Premises to the same, or as good condition as existed on the date of entry under this License, reasonable wear and tear excepted.

(d) Licensee shall be liable for any loss of, or damage to, the Calverton Site incurred in connection with the Uses and shall make such restoration or repair, or monetary compensation as may be directed by Licensor. Licensee shall maintain, at a minimum, the types and amounts of insurance evidenced by the certificates attached hereto as Exhibit A. Licensee agrees that not less than thirty (30) days prior to the expiration of any insurance required by this License, it will deliver to Licensor's local representative a certificate of insurance or a certified copy of each renewal policy to cover the same risks. Each policy of insurance required hereunder shall name Licensor and Grubb & Ellis Management Services, Inc. as additional insureds. In the event that any item or part of the Calverton Site shall require repair, rebuilding or replacement resulting from loss or damage, the risk of which is assumed under this Section 7, Licensee shall promptly give notice thereof to Licensor and shall, upon demand, either compensate Licensor for such loss or damage, or rebuild, replace or repair the item or items of the Calverton Site so lost or damaged, as Licensor may elect. In the event Licensee shall not have been required to effect such repair, rebuilding, or replacement, and the insurance proceeds allocable to the loss or damage which has created the need for such repair, rebuilding or replacement have been paid to Licensee, Licensee shall promptly refund to Licensor the amount of such proceeds.

(e) Without limiting the generality of any other provision of this Agreement, Licensee hereby covenants and agrees that (i) at all times during the Term, adequate private security shall be present at the Calverton Site to protect persons and property at the Calverton Site, (ii) only the gate at the south end of the Calverton Site (the "Access Point") shall be used for access, (iii) Licensee shall prohibit any person from smoking, or

carrying, using or drinking any alcoholic beverage or illegal substance, at the Calverton Site and adequate signage stating that smoking and carrying, using or drinking alcoholic beverages or illegal substances is prohibited at the Calverton Site shall be posted at the Access Point and (iv) Licensee shall provide ample vehicles, personnel, equipment and containers to clean the License Premises and insure that the same is restored to as good condition, subject to reasonable wear and tear, on the Expiration Date as it was in on the License Commencement Date.

(f) In connection with the performance of work under this License, Licensee agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Licensee agrees to post hereafter in conspicuous places available for employees and applicants for employment, notices to be provided by Licensor setting forth the provisions of the nondiscrimination clause. Licensee further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

7. **ASSIGNMENT AND LICENSING.** Notwithstanding anything to the contrary contained in this License, Licensee shall not assign this License, License the License Premises in whole or in part or permit Licensee's interest in this License to be vested in any party other than Licensee by operation of law or otherwise. A transfer of more than fifty (50%) percent at any one time or, in the aggregate from time to time, of the stock, partnership or other ownership interests in Licensee, direct or indirectly, shall be deemed to be an assignment of this License.

8. **LICENSOR'S REMEDIES.** (a) If Licensee fails to perform any of its obligations hereunder in accordance with the terms hereof, then, after reasonable notice to Licensee not to exceed thirty (30) days, and an opportunity for Licensee to cure such failure, (except in case of emergency) Licensor may (but shall not be obligated to) cure such failure at the expense of Licensee, and the amount incurred by Licensor in connection with such cure shall be payable by Licensee to Licensor on demand.

(b) Except as provided in Section 2 and in the immediately following sentence, in the event of a breach by Licensee hereunder, Licensor shall be limited to an action at law for damages. Notwithstanding the foregoing, in the event that Licensee holds over after the expiration of the Term, (i) Licensee shall be obligated to pay Licensor an amount equal to \$750 per diem for each day of the holdover term and (ii) Licensor shall have all of the rights and remedies available to it at law or in equity, including, without limitation, the right to exercise self help and to dispossess Licensee of the License Premises, change the locks on the License Premises, deny Licensee

access to the License Premises and take possession of or dispose of any property at the License Premises, all at the cost and expense of Licensee. Except as provided in Section 2, in no event shall Licensor have the right to enjoin Licensee's performance of the Uses.

9. INDEMNITY. (a) Licensee shall indemnify and hold Licensor harmless from and against any and all claims, actions, liabilities, losses, damages (including, without limitation, consequential and special damages), costs and expenses (including, without limitation, court costs and reasonable attorneys' fees and expenses) arising from or in connection with (i) the use or occupancy by Licensee of the License Premises during the term hereof, or (ii) any work or thing done or any condition created by or any other act or omission of Licensee or its employees, agents, contractors, visitors or licensees, in the License Premises or any other part of the Calverton Site in connection with Licensee's use of the License Premises, or (iii) Licensee's failure to perform any of the obligations imposed on it hereunder.

(b) The foregoing indemnity does not include any claims, actions, liabilities, losses, damages, costs and expenses resulting from Licensor's gross negligence or willful misconduct.

10. BROKERS. Licensee represents that it has not dealt with any broker or finder with respect to this License. Licensee agrees to indemnify and hold Licensor harmless from and against any and all loss, liability, damage, cost and expense (including, but not limited to, court costs and reasonable attorneys' fees and expenses) which Licensor may incur or sustain in connection with any claim or action by any broker or finder that may be asserted against Licensor as a result of any conversations, correspondence or other dealings between Licensee and such broker or finder.

11. NOTICES. Any notices to be given under this License shall be in writing and shall be sent by registered or certified mail, return receipt requested. If such notice is directed to Licensee, it shall be addressed to Licensee at _____, Attention: _____, and if such notice is directed to Licensor, it shall be addressed to Licensor at 200 Howell Avenue, Riverhead, New York 11901, Attention: Andrea Lohneiss. Either party may, by notice in writing, direct that future notices be sent to a different address and to the attention of such other people as either Licensor or Licensee shall designate.

12. HAZARDOUS SUBSTANCES. (a) Generally. Licensee shall not generate, store, manufacture, refine, transport, treat, dispose of, or otherwise permit to be present on or about the License Premises, any Hazardous Substances (other than Hazardous Substances (x) customarily used in for uses such as the Uses and (y) used, stored, transported, and disposed of in strict compliance with applicable law). As used herein, the term

"Hazardous Substances" shall mean any flammables, explosives, radioactive materials, hazardous wastes, hazardous and toxic substances or related materials, asbestos or any materials containing asbestos, or any other hazardous or toxic substance or material as defined by any Federal, State or local environmental law, rule or regulation, including, without limitation, the Resource Conservation and Recovery Act of 1976, as amended from time to time, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, the Toxic Substances Control Act, as amended from time to time, the Hazardous Materials Transportation Act, as amended from time to time, and the regulations adopted and the publications promulgated pursuant to each of the foregoing.

(b) In addition to the foregoing, Licensee hereby agrees to comply at all times with and to cause the License Premises to be in compliance at all times with the Suffolk County Health Department Regulations.

(c) Indemnification. Licensee shall indemnify and hold harmless Licensor from and against any and all liabilities, damages, claims, losses, penalties, judgments, causes of action, costs and expenses (including, without limitation, court costs and the reasonable fees and expenses of counsel) which may be incurred by Licensor directly arising out of any breach by Licensee of the obligations imposed upon it under this Section 12. The foregoing indemnity shall survive the expiration or sooner termination of this License.

13. MISCELLANEOUS. (a) Merger. All prior understandings and agreements between the parties with respect to the subject matter hereof are merged within this License, which alone fully and completely sets forth the understanding of the parties with respect to the subject matter hereof. This License may not be changed or terminated orally or in any manner other than by a writing signed by the party against whom enforcement of the change or termination is sought.

(b) Successors and Assigns. This License shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. The term "Licensor," as used in this License, shall mean only the owner from time to time of the License Premises, so that in the event of any transfer or assignment of the License Premises, the transferor or assignor shall be and hereby is entirely freed and relieved of all covenants, obligations and liability of Licensor under this License, and it shall be deemed, without further agreement, that the transferee or assignee has assumed and agreed to perform and observe all obligations of Licensor under this License during the period that such transferee or assignee is the owner of the interest of License Premises.

(c) Licensee represents that this License has been duly authorized, executed and delivered by Licensee and is enforceable against Licensee in accordance with its terms.

IN WITNESS WHEREOF, Licensor and Licensee do hereby execute this License as of the date and year first above written.

LICENSOR:

THE TOWN OF RIVERHEAD COMMUNITY
DEVELOPMENT AGENCY

By: _____
Name:
Title:

LICENSEE:

STONY BROOK MANUFACTURING

By: _____
Name:
Title:

LICENSE

LICENSE ("License"), made as of the 1st day of November, 1999, by and between **THE TOWN OF RIVERHEAD COMMUNITY DEVELOPMENT AGENCY**, having an address at 200 Howell Avenue, Riverhead, New York 11901, Attention: Andrea Lohneiss ("Licensor"), and **MICHAEL REILLY DESIGN**, a _____ having an address at _____ Attention: _____ ("Licensee").

W I T N E S S E T H:

WHEREAS, Licensor desires to license to Licensee, and Licensee desires to license from Licensor, the right to use approximately 33,600 square feet in building #06-04 (the "License Premises") located at the property formerly known as the Naval Weapons Industrial Reserve Plant, Department of Defense Number 466, Calverton, New York (the "Calverton Site"), upon all of the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, Licensor and Licensee, for themselves, their successors and assigns, hereby agree as follows:

1. **LICENSING**. Upon the terms and conditions hereinafter set forth, Licensor hereby licenses to Licensee, and Licensee hereby licenses from Licensor, the right to use the License Premises.

2. **TERM OF LICENSE**. The term of this License (the "Term") shall commence on November 1, 1999 (the "License Commencement Date") and shall end on the earlier of (a) May 1, 2000 and (b) the date on which the closing shall occur under that certain Agreement of Sale dated as of June 15, 1999 between Licensor and Calverton/Camelot LLC (in either case, the "Expiration Date") or on such earlier date upon which this License shall expire or be canceled or terminated pursuant to any of the conditions or covenants of this License or pursuant to law. Notwithstanding anything to the contrary contained in this License, Licensor shall have the right, exercisable in its sole discretion, to terminate this License effective immediately upon written notice from Licensor to Licensee, if (i) Licensee shall default under or be in breach, of in any of its obligations, representations or warranties hereunder and (ii) such default continues for (x) five days after written notice from Licensor with respect to monetary defaults or (y) thirty days after written notice from Licensor with respect to nonmonetary defaults. If Licensor shall so terminate this License, from and after the termination date neither party hereto shall have any rights or obligations hereunder other than those that, pursuant to the express terms hereof, survive termination of this License; provided that Licensee shall remain liable to Licensor for any default or breach by Licensee that occurred prior to such termination. Furthermore, this License is not, and shall not be construed to

be, a lease or a sublease and nothing contained in this License shall be construed as granting to Licensee any interest or right as tenant or subtenant or any other interest or right other than the interest of a Licensee in accordance with the terms and provisions hereof.

3. CONDITION OF LICENSE PREMISES. Licensee agrees to accept the License Premises "as is," and Licensor shall have no obligation to perform any work or repairs on behalf of Licensee. Licensee acknowledges that no representations with respect to the condition of the License Premises, or with respect to any improvements or fixtures thereon or attached thereto, have been made to it.

4. SECURITY DEPOSIT. Licensee shall deposit with Licensor on the date hereof an amount equal to \$11,200 as security for the faithful performance and observance by Licensee of the terms, conditions and provisions of this License. If a default shall occur and be continuing hereunder, Licensor may apply or retain the whole or any part of the security so deposited to the extent necessary to cure such default. Upon termination of this License, Licensor shall return to Licensee such deposit, less any amounts to which Licensor is entitled pursuant to the terms hereof.

5. LICENSE FEE. Licensee shall pay to Licensor, in accordance with Section 6 hereof (a) on the date hereof an amount equal to \$33,600 and (b) on the first business day of each month commencing with February, 2000, an amount equal to \$11,200 (all of the amounts to be paid by Licensee hereunder, collectively, the "Fee"). In the event that the Term shall terminate on a day other than the last day of a calendar month or in the event that the Term shall terminate prior to January 31, 2000, Licensor and Licensee shall equitably prorate the amount of the Fee actually paid to Licensor for such period.

Licensee covenants and agrees that in no event shall Licensee permit any motor vehicle to (1) enter the Calverton Site other than through the Access Point (as defined below) or (2) park anywhere other than the Parking Area. Licensee further covenants and agrees not to permit any person that is not in a motor vehicle to enter the Calverton Site. Notwithstanding the foregoing, Licensee shall be permitted to admit pedestrians into the Calverton Site to the extent necessary to ensure the safety of such pedestrians.

6. PAYMENT. The Fee and all other charges, costs and expenses payable by Licensee under this License shall be paid by certified check made payable to the order of The Town of Riverhead Community Development Agency and delivered to Andrea Lohneiss at the address provided for Licensor in the preamble to this License, without notice or demand therefor (except to the extent otherwise expressly provided herein) and without any deduction, credit, set-off, counterclaim or abatement whatsoever. In every case in which Licensee is required to pay to Licensor a

sum of money and said sum (or any portion thereof) is not paid when due, interest at an annual rate of 12% shall be payable on such sum (or so much thereof as shall be unpaid) from the date said sum becomes due until the date the unpaid amount is paid.

7. USE; COVENANTS. (a) Licensee shall use the License Premises only for the design and manufacturing of household and commercial woodworking (the "Uses"), to prepare the License Premises for the same and to clean and restore the License Premises, in each case, in accordance with, and subject to, the terms and provisions of this License.

(b) Licensee, at its own cost and expense, shall protect, maintain, and keep in good order, the License Premises.

(c) No additions to, or alterations of, the License Premises shall be made without the prior consent of Licensor. Upon revocation or surrender of this License, to the extent directed by Licensor, Licensee shall remove all alterations, additions, betterments and improvements made, or installed, and restore the License Premises to the same, or as good condition as existed on the date of entry under this License, reasonable wear and tear excepted.

(d) Licensee shall be liable for any loss of, or damage to, the Calverton Site incurred in connection with the Uses and shall make such restoration or repair, or monetary compensation as may be directed by Licensor. Licensee shall maintain, at a minimum, the types and amounts of insurance evidenced by the certificates attached hereto as Exhibit A. Licensee agrees that not less than thirty (30) days prior to the expiration of any insurance required by this License, it will deliver to Licensor's local representative a certificate of insurance or a certified copy of each renewal policy to cover the same risks. Each policy of insurance required hereunder shall name Licensor and Grubb & Ellis Management Services, Inc. as additional insureds. In the event that any item or part of the Calverton Site shall require repair, rebuilding or replacement resulting from loss or damage, the risk of which is assumed under this Section 7, Licensee shall promptly give notice thereof to Licensor and shall, upon demand, either compensate Licensor for such loss or damage, or rebuild, replace or repair the item or items of the Calverton Site so lost or damaged, as Licensor may elect. In the event Licensee shall not have been required to effect such repair, rebuilding, or replacement, and the insurance proceeds allocable to the loss or damage which has created the need for such repair, rebuilding or replacement have been paid to Licensee, Licensee shall promptly refund to Licensor the amount of such proceeds.

(e) Without limiting the generality of any other provision of this Agreement, Licensee hereby covenants and agrees that (i) at all times during the Term, adequate private security shall be present at the Calverton Site to protect persons and property at the Calverton Site, (ii) only the gate at the south end of the Calverton Site (the "Access Point") shall be used for access,

(iii) Licensee shall prohibit any person from smoking, or carrying, using or drinking any alcoholic beverage or illegal substance, at the Calverton Site and adequate signage stating that smoking and carrying, using or drinking alcoholic beverages or illegal substances is prohibited at the Calverton Site shall be posted at the Access Point and (iv) Licensee shall provide ample vehicles, personnel, equipment and containers to clean the License Premises and insure that the same is restored to as good condition, subject to reasonable wear and tear, on the Expiration Date as it was in on the License Commencement Date.

(f) In connection with the performance of work under this License, Licensee agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Licensee agrees to post hereafter in conspicuous places available for employees and applicants for employment, notices to be provided by Licensor setting forth the provisions of the nondiscrimination clause. Licensee further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

7. ASSIGNMENT AND LICENSING. Notwithstanding anything to the contrary contained in this License, Licensee shall not assign this License, License the License Premises in whole or in part or permit Licensee's interest in this License to be vested in any party other than Licensee by operation of law or otherwise. A transfer of more than fifty (50%) percent at any one time or, in the aggregate from time to time, of the stock, partnership or other ownership interests in Licensee, direct or indirectly, shall be deemed to be an assignment of this License.

8. LICENSOR'S REMEDIES. (a) If Licensee fails to perform any of its obligations hereunder in accordance with the terms hereof, then, after reasonable notice to Licensee not to exceed thirty (30) days, and an opportunity for Licensee to cure such failure, (except in case of emergency) Licensor may (but shall not be obligated to) cure such failure at the expense of Licensee, and the amount incurred by Licensor in connection with such cure shall be payable by Licensee to Licensor on demand.

(b) Except as provided in Section 2 and in the immediately following sentence, in the event of a breach by Licensee hereunder, Licensor shall be limited to an action at law for damages. Notwithstanding the foregoing, in the event that Licensee holds over after the expiration of the Term, (i) Licensee shall be obligated to pay Licensor an amount equal to \$750 per diem for each day of the holdover term and (ii) Licensor shall have all of the rights and remedies available to it at law or in equity, including, without limitation, the right to exercise self help and to dispossess Licensee of the License

Premises, change the locks on the License Premises, deny Licensee access to the License Premises and take possession of or dispose of any property at the License Premises, all at the cost and expense of Licensee. Except as provided in Section 2, in no event shall Licensor have the right to enjoin Licensee's performance of the Uses.

9. INDEMNITY. (a) Licensee shall indemnify and hold Licensor harmless from and against any and all claims, actions, liabilities, losses, damages (including, without limitation, consequential and special damages), costs and expenses (including, without limitation, court costs and reasonable attorneys' fees and expenses) arising from or in connection with (i) the use or occupancy by Licensee of the License Premises during the term hereof, or (ii) any work or thing done or any condition created by or any other act or omission of Licensee or its employees, agents, contractors, visitors or licensees, in the License Premises or any other part of the Calverton Site in connection with Licensee's use of the License Premises, or (iii) Licensee's failure to perform any of the obligations imposed on it hereunder.

(b) The foregoing indemnity does not include any claims, actions, liabilities, losses, damages, costs and expenses resulting from Licensor's gross negligence or willful misconduct.

10. BROKERS. Licensee represents that it has not dealt with any broker or finder with respect to this License. Licensee agrees to indemnify and hold Licensor harmless from and against any and all loss, liability, damage, cost and expense (including, but not limited to, court costs and reasonable attorneys' fees and expenses) which Licensor may incur or sustain in connection with any claim or action by any broker or finder that may be asserted against Licensor as a result of any conversations, correspondence or other dealings between Licensee and such broker or finder.

11. NOTICES. Any notices to be given under this License shall be in writing and shall be sent by registered or certified mail, return receipt requested. If such notice is directed to Licensee, it shall be addressed to Licensee at _____, Attention: _____, and if such notice is directed to Licensor, it shall be addressed to Licensor at 200 Howell Avenue, Riverhead, New York 11901, Attention: Andrea Lohneiss. Either party may, by notice in writing, direct that future notices be sent to a different address and to the attention of such other people as either Licensor or Licensee shall designate.

12. HAZARDOUS SUBSTANCES. (a) Generally. Licensee shall not generate, store, manufacture, refine, transport, treat, dispose of, or otherwise permit to be present on or about the License Premises, any Hazardous Substances (other than Hazardous Substances (x) customarily used in for uses such as the Uses and (y) used, stored, transported, and disposed of in strict

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compliance with applicable law). As used herein, the term "Hazardous Substances" shall mean any flammables, explosives, radioactive materials, hazardous wastes, hazardous and toxic substances or related materials, asbestos or any materials containing asbestos, or any other hazardous or toxic substance or material as defined by any Federal, State or local environmental law, rule or regulation, including, without limitation, the Resource Conservation and Recovery Act of 1976, as amended from time to time, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, the Toxic Substances Control Act, as amended from time to time, the Hazardous Materials Transportation Act, as amended from time to time, and the regulations adopted and the publications promulgated pursuant to each of the foregoing.

(b) In addition to the foregoing, Licensee hereby agrees to comply at all times with and to cause the License Premises to be in compliance at all times with the Suffolk County Health Department Regulations.

(c) Indemnification. Licensee shall indemnify and hold harmless Licensor from and against any and all liabilities, damages, claims, losses, penalties, judgments, causes of action, costs and expenses (including, without limitation, court costs and the reasonable fees and expenses of counsel) which may be incurred by Licensor directly arising out of any breach by Licensee of the obligations imposed upon it under this Section 12. The foregoing indemnity shall survive the expiration or sooner termination of this License.

13. MISCELLANEOUS. (a) Merger. All prior understandings and agreements between the parties with respect to the subject matter hereof are merged within this License, which alone fully and completely sets forth the understanding of the parties with respect to the subject matter hereof. This License may not be changed or terminated orally or in any manner other than by a writing signed by the party against whom enforcement of the change or termination is sought.

(b) Successors and Assigns. This License shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. The term "Licensor," as used in this License, shall mean only the owner from time to time of the License Premises, so that in the event of any transfer or assignment of the License Premises, the transferor or assignor shall be and hereby is entirely freed and relieved of all covenants, obligations and liability of Licensor under this License, and it shall be deemed, without further agreement, that the transferee or assignee has assumed and agreed to perform and observe all obligations of Licensor under this License during the period that such transferee or assignee is the owner of the interest of License Premises.

(c) Licensee represents that this License has been duly authorized, executed and delivered by Licensee and is enforceable against Licensee in accordance with its terms.

(d) Neither Licensor nor any tenant, nor other party now or hereafter having an interest in the Calverton Site, shall have any right of action based upon invasion of privacy, publicity, defamation, or other civil rights, in connection with the exercise of the permission and/or rights herein granted. Notwithstanding the foregoing, Licensee shall not use the name "Calverton" or "Riverhead", or any signage containing such names, and shall not use the names, pictures, or likenesses of any officials or employees of the Town of Riverhead in connection with the Uses without the prior consent of Licensor, which consent shall not be unreasonably withheld or delayed.

LICENSE

LICENSE ("License"), made as of the 1st day of November, 1999, by and between THE TOWN OF RIVERHEAD COMMUNITY DEVELOPMENT AGENCY, having an address at 200 Howell Avenue, Riverhead, New York 11901, Attention: Andrea Lohneiss ("Licensor"), and GLOBAL MARINE, a _____ having an address at _____ Attention: _____ ("Licensee").

W I T N E S S E T H:

WHEREAS, Licensor desires to license to Licensee, and Licensee desires to license from Licensor, the right to use approximately 30,000 square feet in building #06-74 (the "License Premises") located at the property formerly known as the Naval Weapons Industrial Reserve Plant, Department of Defense Number 466, Calverton, New York (the "Calverton Site"), upon all of the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, Licensor and Licensee, for themselves, their successors and assigns, hereby agree as follows:

1. LICENSING. Upon the terms and conditions hereinafter set forth, Licensor hereby licenses to Licensee, and Licensee hereby Licenses from Licensor, the right to use the License Premises.

2. TERM OF LICENSE. The term of this License (the "Term") shall commence on November 1, 1999 (the "License Commencement Date") and shall end on the earlier of (a) May 1, 2000 and (b) the date on which the closing shall occur under that certain Agreement of Sale dated as of June 15, 1999 between Licensor and Calverton/Camelot LLC (in either case, the "Expiration Date") or on such earlier date upon which this License shall expire or be canceled or terminated pursuant to any of the conditions or covenants of this License or pursuant to law. Notwithstanding anything to the contrary contained in this License, Licensor shall have the right, exercisable in its sole discretion, to terminate this License effective immediately upon written notice from Licensor to Licensee, if (i) Licensee shall default under or be in breach, of in any of its obligations, representations or warranties hereunder and (ii) such default continues for (x) five days after written notice from Licensor with respect to monetary defaults or (y) thirty days after written notice from Licensor with respect to nonmonetary defaults. If Licensor shall so terminate this License, from and after the termination date neither party hereto shall have any rights or obligations hereunder other than those that, pursuant to the express terms hereof, survive termination of this License; provided that Licensee shall remain liable to Licensor for any default or breach by Licensee that occurred prior to such termination. Furthermore, this License is not, and shall not be construed to

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be, a lease or a sublease and nothing contained in this License shall be construed as granting to Licensee any interest or right as tenant or subtenant or any other interest or right other than the interest of a Licensee in accordance with the terms and provisions hereof.

3. CONDITION OF LICENSE PREMISES. Licensee agrees to accept the License Premises "as is," and Licensor shall have no obligation to perform any work or repairs on behalf of Licensee. Licensee acknowledges that no representations with respect to the condition of the License Premises, or with respect to any improvements or fixtures thereon or attached thereto, have been made to it.

4. SECURITY DEPOSIT. Licensee shall deposit with Licensor on the date hereof an amount equal to \$10,000 as security for the faithful performance and observance by Licensee of the terms, conditions and provisions of this License. If a default shall occur and be continuing hereunder, Licensor may apply or retain the whole or any part of the security so deposited to the extent necessary to cure such default. Upon termination of this License, Licensor shall return to Licensee such deposit, less any amounts to which Licensor is entitled pursuant to the terms hereof.

5. LICENSE FEE. Licensee shall pay to Licensor, in accordance with Section 6 hereof (a) on the date hereof an amount equal to \$30,000 and (b) on the first business day of each month commencing with February, 2000, an amount equal to \$10,000 (all of the amounts to be paid by Licensee hereunder, collectively, the "Fee"). In the event that the Term shall terminate on a day other than the last day of a calendar month or in the event that the Term shall terminate prior to January 31, 2000, Licensor and Licensee shall equitably prorate the amount of the Fee actually paid to Licensor for such period.

Licensee covenants and agrees that in no event shall Licensee permit any motor vehicle to (1) enter the Calverton Site other than through the Access Point (as defined below) or (2) park anywhere other than the Parking Area. Licensee further covenants and agrees not to permit any person that is not in a motor vehicle to enter the Calverton Site. Notwithstanding the foregoing, Licensee shall be permitted to admit pedestrians into the Calverton Site to the extent necessary to ensure the safety of such pedestrians.

6. PAYMENT. The Fee and all other charges, costs and expenses payable by Licensee under this License shall be paid by certified check made payable to the order of The Town of Riverhead Community Development Agency and delivered to Andrea Lohneiss at the address provided for Licensor in the preamble to this License, without notice or demand therefor (except to the extent otherwise expressly provided herein) and without any deduction, credit, set-off, counterclaim or abatement whatsoever. In every case in which Licensee is required to pay to Licensor a

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sum of money and said sum (or any portion thereof) is not paid when due, interest at an annual rate of 12% shall be payable on such sum (or so much thereof as shall be unpaid) from the date said sum becomes due until the date the unpaid amount is paid.

7. USE; COVENANTS. (a) Licensee shall use the License Premises only for the manufacturing of fiberglass marine products (the "Uses"), to prepare the License Premises for the same and to clean and restore the License Premises, in each case, in accordance with, and subject to, the terms and provisions of this License.

(b) Licensee, at its own cost and expense, shall protect, maintain, and keep in good order, the License Premises.

(c) No additions to, or alterations of, the License Premises shall be made without the prior consent of Licensor. Upon revocation or surrender of this License, to the extent directed by Licensor, Licensee shall remove all alterations, additions, betterments and improvements made, or installed, and restore the License Premises to the same, or as good condition as existed on the date of entry under this License, reasonable wear and tear excepted.

(d) Licensee shall be liable for any loss of, or damage to, the Calverton Site incurred in connection with the Uses and shall make such restoration or repair, or monetary compensation as may be directed by Licensor. Licensee shall maintain, at a minimum, the types and amounts of insurance evidenced by the certificates attached hereto as Exhibit A. Licensee agrees that not less than thirty (30) days prior to the expiration of any insurance required by this License, it will deliver to Licensor's local representative a certificate of insurance or a certified copy of each renewal policy to cover the same risks. Each policy of insurance required hereunder shall name Licensor and Grubb & Ellis Management Services, Inc. as additional insureds. In the event that any item or part of the Calverton Site shall require repair, rebuilding or replacement resulting from loss or damage, the risk of which is assumed under this Section 7, Licensee shall promptly give notice thereof to Licensor and shall, upon demand, either compensate Licensor for such loss or damage, or rebuild, replace or repair the item or items of the Calverton Site so lost or damaged, as Licensor may elect. In the event Licensee shall not have been required to effect such repair, rebuilding, or replacement, and the insurance proceeds allocable to the loss or damage which has created the need for such repair, rebuilding or replacement have been paid to Licensee, Licensee shall promptly refund to Licensor the amount of such proceeds.

(e) Without limiting the generality of any other provision of this Agreement, Licensee hereby covenants and agrees that (i) at all times during the Term, adequate private security shall be present at the Calverton Site to protect persons and property at the Calverton Site, (ii) only the gate at the south end of the Calverton Site (the "Access Point") shall be used for access,

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(iii) Licensee shall prohibit any person from smoking, or carrying, using or drinking any alcoholic beverage or illegal substance, at the Calverton Site and adequate signage stating that smoking and carrying, using or drinking alcoholic beverages or illegal substances is prohibited at the Calverton Site shall be posted at the Access Point and (iv) Licensee shall provide ample vehicles, personnel, equipment and containers to clean the License Premises and insure that the same is restored to as good condition, subject to reasonable wear and tear, on the Expiration Date as it was in on the License Commencement Date.

(f) In connection with the performance of work under this License, Licensee agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Licensee agrees to post hereafter in conspicuous places available for employees and applicants for employment, notices to be provided by Licensor setting forth the provisions of the nondiscrimination clause. Licensee further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

7. ASSIGNMENT AND LICENSING. Notwithstanding anything to the contrary contained in this License, Licensee shall not assign this License, License the License Premises in whole or in part or permit Licensee's interest in this License to be vested in any party other than Licensee by operation of law or otherwise. A transfer of more than fifty (50%) percent at any one time or, in the aggregate from time to time, of the stock, partnership or other ownership interests in Licensee, direct or indirectly, shall be deemed to be an assignment of this License.

8. LICENSOR'S REMEDIES. (a) If Licensee fails to perform any of its obligations hereunder in accordance with the terms hereof, then, after reasonable notice to Licensee not to exceed thirty (30) days, and an opportunity for Licensee to cure such failure, (except in case of emergency) Licensor may (but shall not be obligated to) cure such failure at the expense of Licensee, and the amount incurred by Licensor in connection with such cure shall be payable by Licensee to Licensor on demand.

(b) Except as provided in Section 2 and in the immediately following sentence, in the event of a breach by Licensee hereunder, Licensor shall be limited to an action at law for damages. Notwithstanding the foregoing, in the event that Licensee holds over after the expiration of the Term, (i) Licensee shall be obligated to pay Licensor an amount equal to \$750 per diem for each day of the holdover term and (ii) Licensor shall have all of the rights and remedies available to it at law or in equity, including, without limitation, the right to exercise self help and to dispossess Licensee of the License.

Premises, change the locks on the License Premises, deny Licensee access to the License Premises and take possession of or dispose of any property at the License Premises, all at the cost and expense of Licensee. Except as provided in Section 2, in no event shall Licensor have the right to enjoin Licensee's performance of the Uses.

9. INDEMNITY. (a) Licensee shall indemnify and hold Licensor harmless from and against any and all claims, actions, liabilities, losses, damages (including, without limitation, consequential and special damages), costs and expenses (including, without limitation, court costs and reasonable attorneys' fees and expenses) arising from or in connection with (i) the use or occupancy by Licensee of the License Premises during the term hereof, or (ii) any work or thing done or any condition created by or any other act or omission of Licensee or its employees, agents, contractors, visitors or licensees, in the License Premises or any other part of the Calverton Site in connection with Licensee's use of the License Premises, or (iii) Licensee's failure to perform any of the obligations imposed on it hereunder.

(b) The foregoing indemnity does not include any claims, actions, liabilities, losses, damages, costs and expenses resulting from Licensor's gross negligence or willful misconduct.

10. BROKERS. Licensee represents that it has not dealt with any broker or finder with respect to this License. Licensee agrees to indemnify and hold Licensor harmless from and against any and all loss, liability, damage, cost and expense (including, but not limited to, court costs and reasonable attorneys' fees and expenses) which Licensor may incur or sustain in connection with any claim or action by any broker or finder that may be asserted against Licensor as a result of any conversations, correspondence or other dealings between Licensee and such broker or finder.

11. NOTICES. Any notices to be given under this License shall be in writing and shall be sent by registered or certified mail, return receipt requested. If such notice is directed to Licensee, it shall be addressed to Licensee at _____, Attention: _____, and if such notice is directed to Licensor, it shall be addressed to Licensor at 200 Howell Avenue, Riverhead, New York 11901, Attention: Andrea Lohneiss. Either party may, by notice in writing, direct that future notices be sent to a different address and to the attention of such other people as either Licensor or Licensee shall designate.

12. HAZARDOUS SUBSTANCES. (a) Generally. Licensee shall not generate, store, manufacture, refine, transport, treat, dispose of, or otherwise permit to be present on or about the License Premises, any Hazardous Substances (other than Hazardous Substances (x) customarily used in for uses such as the Uses and y) used, stored, transported, and disposed of in strict

IN WITNESS WHEREOF, Licensor and Licensee do hereby execute this License as of the date and year first above written.

LICENSOR:

THE TOWN OF RIVERHEAD COMMUNITY DEVELOPMENT AGENCY

By: _____
Name:
Title:

LICENSEE:

GLOBAL MARINE

By: _____
Name:
Title: