

**FORM APPLICATION FOR FINANCIAL ASSISTANCE  
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY  
1 Independence Hill, 2nd Floor, Farmingville, New York 11738**

DATE: 10/18/2016

APPLICATION OF: 14 Glover, LLC  
Name of Owner and/or User of Proposed Project

ADDRESS: 101 Hospital Road  
Patchogue, NY 11772

Type of Application:     Tax-Exempt Bond       Taxable Bond  
                                  Straight Lease                       Refunding Bond

Please respond to all items either by filling in blanks, by attachment (by marking space "see attachment number 1", etc.) or by N.A., where not applicable. Application must be filed in two copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is \$2,000 for applications under \$5 million and \$4,000 for applications of \$5 million or more.

Transaction Counsel to the Agency may require a retainer which will be applied to fees incurred and actual out-of-pocket disbursements made during the inducement and negotiation processes, and will be reflected on their final statement at closing.

Information provided herein will not be made public by the Agency prior to the passage of an official Inducement Resolution, but may be subject to disclosure under the New York State Freedom of Information Law.

Prior to submitting a completed final application, please arrange to meet with the Agency's staff to review your draft application. Incomplete applications will not be considered. The Board reserves the right to require that the applicant pay for the preparation of a Cost Benefit Analysis, and the right to approve the company completing the analysis.

PLEASE NOTE: It is the policy of the Brookhaven IDA to encourage the use of local labor and the payment of the area standard wage during construction on the project.

## INDEX

<b>PART I</b>	<b>OWNER AND USER DATA</b>
<b>PART II</b>	<b>OPERATION AT CURRENT LOCATION</b>
<b>PART III</b>	<b>PROJECT DATA</b>
<b>PART IV</b>	<b>PROJECT COSTS AND FINANCING</b>
<b>PART V</b>	<b>PROJECT BENEFITS</b>
<b>PART VI</b>	<b>EMPLOYMENT DATA</b>
<b>PART VII</b>	<b>REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION</b>
<b>PART VIII</b>	<b>SUBMISSION OF MATERIALS</b>
EXHIBIT A	Proposed PILOT Schedule
SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
SCHEDULE C	Recapture and Termination Policy

**Part I: Owner & User Data**

1. Owner Data:

A. Owner (Applicant for assistance): 14 Glover, LLC

Address: 101 HOSPITAL ROAD  
PATCHOGUE NY

Federal Employer ID #: tbd Website: N/A

NAICS Code: N/A 

Owner Officer Certifying Application: BRENDA J FARRELL

Title of Officer: CFO

Phone Number:  E-mail: 

B. Business Type:

Sole Proprietorship  Partnership  Privately Held

Public Corporation  Listed on \_\_\_\_\_

State of Incorporation/Formation: NEW YORK

C. Nature of Business:

(e.g., "manufacturer of \_\_\_\_\_ for \_\_\_\_\_ industry"; "distributor of \_\_\_\_\_"; or "real estate holding company")

Supporting organization of Brookhaven Health Care Services Corporation

D. Owner Counsel:

Firm Name: NIXON PEABODY

Address: 50 Jericho Quadrangle  
Jericho, NY 11753

Individual Attorney: PETER EGAN

Phone Number: 516-832-7633 E-mail: pegan@nixonpeabody.com

E. Principal Stockholders, Members or Partners, if any, of the Owner (5% or more equity):

Name	Percent Owned
Brookhaven Health Care Services, Inc.	Sole Member
_____	_____
_____	_____
_____	_____

F. Has the Owner, or any subsidiary or affiliate of the Owner, or any stockholder, partner, member, officer, director or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

No

- ii. been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

No

G. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the Owner, list all other organizations which are related to the Owner by virtue of such persons having more than a 50% interest in such organizations.

Brookhaven Memorial Hospital Medical Center

H. Is the Owner related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

No

I. List parent corporation, sister corporations and subsidiaries:

Brookhaven Health Care Services, Inc. (Parent); Brookhaven Memorial Hospital Medical Center (Sister)

J. Has the Owner (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

Yes. BMHMC is the recipient of Town of Brookhaven LDC bond financing.

See Rider 1.

K. List major bank references of the Owner:

See Rider 2.

2. User Data

*\*\* (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) \*\**

A. User (together with the Owner, the "Applicant"): BMHMC (also see Rider 4)

Address: 101 Hospital Road

Patchogue, NY 11772

Federal Employer ID #: \_\_\_\_\_ Website: BMHMC.org

NAICS Code: \_\_\_\_\_

User Officer Certifying Application: Brenda J. Farrell

Title of Officer: CFO

Phone Number: [REDACTED] E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship  Partnership  Privately Held

Public Corporation  Listed on \_\_\_\_\_

State of Incorporation/Formation: NY

C. Nature of Business:

(e.g., "manufacturer of \_\_\_\_\_ for \_\_\_\_\_ industry"; "distributor of \_\_\_\_\_"; or "real estate holding company")

Hospital, Related Health Care Services

D. Are the User and the Owner Related Entities? Yes  No

- i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.
- ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: Owner and BMHMC have retain

Address: 50 Jericho Quadrangle  
Jericho, NY 11753

Individual Attorney: Peter Egan

Phone Number: 516-832-7633

E-mail: pegan@nixonpeabody.com

F. Principal Stockholders or Partners, if any (5% or more equity):

Name	Percent Owned
<u>Brookhaven Health Care Services, Inc.</u>	<u>Sole Member of Owner</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

G. Has the User, or any subsidiary or affiliate of the User, or any stockholder, partner, officer, director or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

No

- ii. been convicted of a felony or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

No

H. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

- 
- 
- I. Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

Brookhaven Health Care Services, Inc. (Parent)

---

---

- J. List parent corporation, sister corporations and subsidiaries:

Brookhaven Health Care Services, Inc. (Parent); 14 Glover, LLC (Sister)

---

---

- K. Has the User (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

Yes. See Rider 1.

---

---

- L. List major bank references of the User:

See Rider 2.

---

---

**Part II – Operation at Current Location**

*\*\* (if the Owner and the User are unrelated entities, answer separately for each) \*\**

1. Current Location Address: See Rider 3.
2. Owned or Leased: See Rider 3.
3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

See Rider 3.

---

---

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:

See Rider 3.

---

---

5. Are other facilities or related companies of the Applicant located within the State?

Yes  No

A. If yes, list the Address: See Rider 3.

---

6. If yes to above ("5"), will the completion of the project result in the removal of such facility or facilities from one area of the state to another OR in the abandonment of such facility or facilities located within the State? Yes  No

A. If no, explain how current facilities will be utilized: See Rider 4.

---

- B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

See Rider 5.

---

---

7. Has the Applicant actively considered sites in another state? Yes  No

A. If yes, please list states considered and explain: \_\_\_\_\_

---

8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes  No

A. Please explain: \_\_\_\_\_

---

9. Number of full-time employees at current location and average salary: See Rider 3.
- 
-



**Part III – Project Data**

1. Project Type:

A. What type of transaction are you seeking?: (Check one)

Straight Lease  Taxable Bonds  Tax-Exempt Bonds   
Equipment Lease Only

B. Type of benefit(s) the Applicant is seeking: (Check all that apply)

Sales Tax Exemption  Mortgage Recording Tax Exemption   
PILOT Agreement:

2. Location of project:

A. Street Address: 14 Glover Drive, Yaphank, NY 11980

B. Tax Map: District 0200 Section 742 Block 01 Lot(s) \_\_\_\_\_

C. Municipal Jurisdiction:

- i. Town: BROOKHAVEN
- ii. Village: None.
- iii. School District: Longwood District 12 [To be confirmed]

D. Acreage: 14.06

3. Project Components (check all appropriate categories):

A. Construction of a new building  Yes  No  
i. Square footage: \_\_\_\_\_

B. Renovations of an existing building  Yes  No  
i. Square footage: 185,274

C. Demolition of an existing building  
i. Square footage: \_\_\_\_\_

D. Land to be cleared or disturbed  Yes  No  
i. Square footage/acreage: 1.5 acres - estimated

E. Construction of addition to an existing building  Yes  No  
i. Square footage of addition: 300 SQ FT  
ii. Total square footage upon completion: 185,574

F. Acquisition of an existing building  Yes  No  
i. Square footage of existing building: 185,574

- G. Installation of machinery and/or Equipment  Yes  No  
i. List principal items or categories of equipment to be acquired: See Rider 6.

4. Current Use at Proposed Location:

A. Does the Applicant currently hold fee title to the proposed location?

- i. If no, please list the present owner of the site: See Rider 6.

B. Present use of the proposed location: See Rider 6.

C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?)  Yes  No

- i. If yes, explain: \_\_\_\_\_

D. Is there a purchase contract for the site? (if yes, explain):  Yes  No  
See Rider 6.

E. Is there an existing or proposed lease for the site? (if yes, explain):  Yes  No

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: See Riders 7 and 8.

B. Proposed product lines and market demands: See Riders 7 and 8.

C. If any space is to be leased to third parties, indicate the tenant(s), total square footage of the project to be leased to each tenant, and the proposed use by each tenant:  
See Riders 7 and 8.

D. Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):

- B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: See Rider 9.
- 

**Part IV – Project Costs and Financing**

1. Project Costs:

- A. Give an accurate estimate of cost necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ <u>15,000,000</u>
Building(s) demolition/construction	\$ <u>0</u>
Building renovation	\$ <u>18,400,000</u>
Site Work	\$ <u>500,000</u>
Machinery and Equipment	\$ <u>4,500,000</u>
Legal Fees	\$ <u>500,000</u>
Architectural/Engineering Fees	\$ <u>750,000</u>
Financial Charges	\$ <u>350,000</u>
Other (Specify)	\$ _____
<b>Total</b>	<b>\$ <u>40,000,000</u></b>

2. Method of Financing: \*

	Amount	Term
A. Tax-exempt bond financing:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ <u>23,000,000</u>	_____ years
D. SBA (504) or other governmental financing:	\$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans:	\$ _____	_____ years
G. Owner/User equity contribution:	\$ <u>17,000,000</u>	_____ years

Total Project Costs \$ 40,000,000

\* See rider 10.

i. What percentage of the project costs will be financed from public sector sources?

0

3. Project Financing:

A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? Yes  No  See Rider 10.

i. If yes, provide detail on a separate sheet.

B. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

N/A

C. Will any of the funds borrowed through the Agency be used to repay or refinance an existing mortgage or outstanding loan? Give details:

No

D. Has the Applicant made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

N/A

**Part V – Project Benefits**

1. Mortgage Recording Tax Benefit:

A. Mortgage Amount for exemption (include sum total of construction/permanent/bridge financing):

Presently estimated to be \$23,000,000 but not to exceed \$25,000,000. See rider 10.  
\$ \_\_\_\_\_

B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and 1.05%):

TBD  
\$ \_\_\_\_\_

2. Sales and Use Tax Benefit:

A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ [95,000,000 (estimated)] ?

B. Estimated State and local Sales and Use Tax exemption (product of 8.625% and figure above):

\$ 8,196,750

C. If your project has a landlord/tenant (owner/user) arrangement, please provide a breakdown of the number in "B" above:

i. Owner: \$ See Rider 9.

ii. User: \$ See Rider 9.

3. Real Property Tax Benefit:

A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: NONE

B. Agency PILOT Benefit:

i. Term of PILOT requested: 15 YEARS, see cover letter

ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and indicate the estimated amount of PILOT Benefit based on anticipated tax rates and assessed valuation and attached such information to Exhibit A hereto. At such time, the Applicant will certify that it accepts the proposed PILOT schedule and requests such benefit to be granted by the Agency.

*\*\* This application will not be deemed complete and final until Exhibit A hereto has been completed and executed.\*\**

**Part VI – Employment Data**

1. List the Applicant's and each users present employment, and estimates of (i) employment at the proposed project location at the end of year one and year two following project completion and (ii) the number of residents of the Labor Market Area\* ("LMA") that would fill the full-time and part-time jobs at the end of year second year following completion:

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Residents of LMA</u>
Full-Time	<u>0</u>	<u>100</u>	<u>110</u>	<u>110</u>
Part-Time**	<u>0</u>	<u>50</u>	<u>55</u>	<u>55</u>

\* The Labor Market Area includes the County/City/Town/Village in which the project is located as well Nassau and Suffolk Counties.

\*\* Agency staff converts Part-Time jobs into FTEs for state reporting purposes by dividing the number of Part-Time jobs by two (2).

2. Salary and Fringe Benefits:

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Salary Wage Earners	80,000	25,000
Commission Wage Earners	0	0
Hourly Wage Earners	55,000	20,000
1099 and Contract Workers	60,000	0

Note: The Agency reserves the right to visit the facility to confirm that job creation numbers are being met.

**Part VII – Representations, Certifications and Indemnification**

1. Is the Applicant in any litigation which would have a material adverse effect on the Applicant's financial condition? (if yes, furnish details on a separate sheet)

Yes  No

2. HAS THE APPLICANT OR ANY OF THE MANAGEMENT OF THE APPLICANT, THE ANTICIPATED USERS OR ANY OF THEIR AFFILIATES, OR ANY OTHER CONCERN WITH WHICH SUCH MANAGEMENT HAS BEEN CONNECTED, BEEN CITED FOR A VIOLATION OF FEDERAL, STATE OR LOCAL LAWS OR REGULATIONS WITH RESPECT TO LABOR PRACTICES, HAZARDOUS WASTES, ENVIRONMENTAL POLLUTION OR OTHER OPERATING PRACTICES? (IF YES, FURNISH DETAILS ON A SEPARATE SHEET)

Yes  No

3. Is there a likelihood that the Applicant would not proceed with this project without the Agency's assistance? (If yes, please explain why; if no, please explain why the Agency should grant the benefits requested)

Yes  No

See Rider 5.

---



---

4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

See Rider 12.

---

5. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if financial assistance is provided for the proposed project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

Initial BJF

6. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Workforce Investment Act of 1998 (29 U.S.C. §2801) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees, that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, where practicable, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies.

Initial BJF

7. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving financial assistance for the proposed project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

Initial BJF

8. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.

Initial BJF

9. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

Initial BJF

10. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which result in the removal of an industrial or manufacturing plant of the project occupant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the project occupant within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

Initial BJF

11. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

Initial BJF

12. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the project.

Initial BJF

13. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as Schedule B and agrees to comply with the same.

Initial BJF



14. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's Recapture and Termination Policy, attached hereto as Schedule C.

Initial BJF

15. The Applicant confirms and hereby acknowledges it has received the Agency's PILOT Policy attached hereto as Schedule D and agrees to comply with the same.

Initial BJF

#### **Part VIII – Submission of Materials**

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report).
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Long Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

*(Remainder of Page Intentionally Left Blank)*

**Part IX – Certification**

Brenda J Farrell (name of representative of company submitting application) deposes and says that he or she is the CFO (title) of 14 Glover, LLC, the corporation (company name) named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of the entity named in the attached Application (the “Applicant”) and to bind the Applicant. The grounds of deponent’s belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as information acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the “Agency”) in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.

Brenda J. Farrell  
Representative of Applicant

Sworn to me before this 18  
Day of October, 20 16

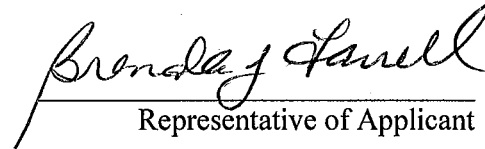
\_\_\_\_\_  
(seal)

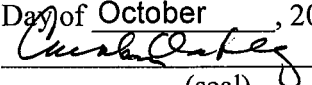
**Part IX – Certification**

Brenda J Farrell (name of representative of company submitting application) deposes and says that he or she is the CFO (title) of 14 Glover, LLC, the corporation (company name) named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of the entity named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as information acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.

  
\_\_\_\_\_  
Representative of Applicant

Sworn to me before this 18  
Day of October, 20 16  
  
\_\_\_\_\_  
(seal)

**CAROL ANN OAKLEY**  
Notary Public, State of New York  
No. 52-4821203  
Qualified in Suffolk County  
Commission Expires June 30, 2019

**EXHIBIT A**

**Proposed PILOT Schedule**

Upon acceptance of the Application and completion of the Cost Benefit Analysis, the Agency will attach the proposed PILOT Schedule, together with the estimates of net exemptions based on estimated tax rates and assessment values to this Exhibit.

		EXHIBIT			
	Year		PILOT Amount		
	1	\$	180,000		
	2	\$	180,000		
	3	\$	189,900		
	4	\$	200,345		
	5	\$	211,363		
	6	\$	222,988		
	7	\$	235,253		
	8	\$	248,192		
	9	\$	261,842		
	10	\$	276,244		
	11	\$	291,437		
	12	\$	307,466		
	13	\$	324,377		
	14	\$	342,217		
	15	\$	361,039		

**PROPOSED PILOT BENEFITS ARE FOR  
DISCUSSION PURPOSES ONLY AND HAVE NOT  
BEEN APPROVED BY THE AGENCY BOARD**

## SCHEDULE A

### Town of Brookhaven Industrial Development Schedule of Fees

Application -	\$2,000 for projects with total costs under \$5 million \$4,000 for projects with total costs \$5 million and over
Closing/Expansion Sale/Transfer -	$\frac{3}{4}$ of one percent up to \$10 million total project cost and an additional $\frac{1}{8}$ of a percent on any project costs in excess of \$10 million. Projects will incur a minimum charge of \$7,500 plus all publication and legal fees.
Annual Administrative -	\$1,000 administrative fee payable with PILOT.
Termination -	Between \$750 and \$2,000
Refinance -	$\frac{1}{10}^{\text{th}}$ of one percent of transaction price (project cost) or \$2,500, whichever is greater.
Late PILOT Payment -	5% penalty, 1% interest monthly, plus \$1,000 administrative fee.
Processing Fee -	\$250 per hour with a minimum fee of \$250

Notes: All fees are subject to adjustment by IDA Board members and/or staff on a case-by-case basis.

Failure to abide by the terms and conditions of the PILOT and lease agreement including, but not limited to, rental of space will result in a reduction in abatement with the potential for termination.

Updated: June 15, 2016

## SCHEDULE D

### Agency Payment in Lieu of Taxes (PILOT) Policy

An annual fee of \$1,000 will be due to the Agency in addition to the PILOT payment to cover ongoing costs incurred by the Agency on behalf of the project.

1. The Town of Brookhaven Industrial Development Agency (IDA) may grant, or be utilized to obtain a partial or full real property tax abatement for a determined period which can be as long as ten years. To be eligible for this abatement there would be a requirement of new construction, or renovation, and a transfer of title of the real property to the Town of Brookhaven IDA.
2. The Chief Executive Officer (CEO) or their designee shall consult with the Town Assessor to ascertain the amounts due pursuant to each PILOT Agreement. Thereafter, the PILOT payment for each project shall be billed to the current lessees. The lessees can pay the PILOT payment in full by January 31<sup>st</sup> of each year, or in two equal payments due January 31<sup>st</sup> and May 31<sup>st</sup> of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31<sup>st</sup> of any year or May 31<sup>st</sup>** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

9. Should the Applicant fail to reach employment levels as outlined in their application to the Agency, the Board reserves the right to reduce or suspend the PILOT Agreement, declare a default under the Lease or the Installment Sale Agreement, and/or convey the title back to the Applicant.
10. This policy has been adopted by the IDA Board upon recommendation of the Governance Committee and may only be amended in the same manner.