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VIA FEDERAL EXPRESS AND E-MAIL

May 18, 2022

Town of Brookhaven IDA Board
Lisa M.G. Mulligan, CEO
Town of Brookhaven IDA
Office of Economic Development
1 Independence Hill
Farmingville, NY 11738

Re: 44 Ramsey Road Owner LLC - 2021 Facility

Dear Ms. Mulligan and Members of the Board:

I am writing regarding that certain Assignment, Assumption and Amendment Agreement (the "Agreement"), dated as of October 22, 2021, executed and delivered between the Agency and 44 Ramsey Road Owner LLC ("Ramsey"), relating to that certain Lease Agreement dated as of December 1, 2006, executed and delivered between the Agency, as lessor, and Warco, L.L.C., as lessee (the "Lease").

Please allow this letter to serve as Ramsey's request, in accordance with Section 8.13 and Section 9.1 of the Lease, that the Agency mortgage and encumber its interest in 44 Ramsey Road, Yaphank, New York 11967 (the "Facility") to Deutsche Bank AG, New York Branch or affiliates in connection with Ramsey's execution and delivery of a permanent mortgage in an amount not to exceed \$7,500,000 on the Facility. Ramsey is not seeking any additional economic benefits in connection with this request. Drafts of the mortgage documents that the Agency would execute will be delivered to Agency counsel prior to the Board meeting.

Lisa Mulligan
Brookhaven IDA Board
May 18, 2022
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Please feel free to contact me with any questions.

Very truly yours,

Peter L. Curry

FARRELL FRITZ, P.C.

cc: William F. Weir, Esq. (Via E-Mail Only)
Michael L. Webb, Esq.
Mr. Bennett Varney

LONG ISLAND / ENVIRONMENT

Waste-to-gas facility breaks ground in Yaphank amid complaints



Dignitaries, including Adrienne Esposito, executive director of Citizens Campaign for the Environment, former U.S. Sen. Alfonse D'Amato, Suffolk County Executive Steve Bellone, Charles Vigliotti, CEO of American Organic Energy, and his brother Arnold Vigliotti, are shown during a groundbreaking ceremony Wednesday for a new anaerobic digester facility that will be built by American Organic Energy in Yaphank. Credit: Newsday/John Paraskevas

MENU



LM

mark.harrington@newsday.com [MHarringtonNews](#)

Updated April 20, 2022 8:38 pm

As the founders of Long Island Compost and their majority investors broke ground Wednesday in Yaphank on a facility to turn food waste into biogas and fertilizer, some neighbors who object to the plan are raising alarms.

In a statement released to Newsday in advance of the groundbreaking, the Brookhaven Landfill Action & Remediation Group, a residents coalition, raised questions about whether the new anaerobic digester would contribute to the “surrounding overburdened community” becoming the “garbage capital of Long Island without any public planning process.”

But officials at the groundbreaking stressed that American Organic Energy (AOE) has been meeting with public officials and community groups for years, and that the facility would improve air quality and the environment, not worsen it.

"They are under a fundamental misunderstanding about the facility and what we do and the extent of reaching out we've gone through over 10 years," said chief executive Charles Vigliotti.

The neighborhood group accused the state Department of Environmental Conservation, Suffolk County and Brookhaven Town of having “abandoned public sustainable regional waste planning,” adding the “result is that even a seemingly environmentally beneficial anaerobic digester is advancing environmental injustice.”

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One local resident, Annelies Kamran, charged that residents have had “no voice in this” and said truck traffic alone will “negatively impact the area.”

“How is trucking food waste 60 miles from New York an environmental solution?” asked Brookhaven resident Kerim Odekon in an email to Newsday.

But Suffolk County Executive Steve Bellone, at the groundbreaking, said the facility during its planning stages had “significant community input,” but noted, “You're never going to make everybody completely happy.”

Bellone called construction of the digester a “landmark occasion for the region,” and an “incredible project that moves us into the 21st century.”

Kevin Molloy, spokesman for Brookhaven Town, noted the state DEC is responsible for regulating regional waste management, "not any individual local municipality." Brookhaven, he said, "has repeatedly stressed the need for a regional waste management plan for Long Island and successfully lobbied for state funding for a study to address the future of waste management on Long Island."

The DEC, in a statement, said it is "fully committed" to environmental justice issues and is "working to address concerns of nearby disproportionately affected communities ..."

The anaerobic digester project's permits, DEC said, were issued prior to the state's May 2021 designation of that Brookhaven area as a potential environmental justice area. AOE's solid waste permit, which was issued in January 2017, expired in 2021, and the company has submitted a renewal that is undergoing a "comprehensive review," the agency said.

Vigliotti, who also co-founded Long Island Compost with his brother Arnold, said earlier this month that the project will take lessons from his earlier feuds with residents over Long Island Compost.

"You listen to your critics and very often people have legitimate issues," he said. "You can't just go on fighting. It's a rotten way to run a railroad.

Vigliotti on Wednesday said around 60 truckloads carrying 600 tons of food waste a day would enter the indoor facility when it's completed by the end of next year. He stressed that it's taking food that would otherwise be dumped in landfills, some as far away as Virginia and North Carolina.

He provided a long list of approvals and agencies who helped guide and approved the project. "Everybody but the Coast Guard has been involved in this," he said.

He said the anaerobic digester will do much of its work in a large contained indoor facility, turning food waste into biogas that will be sold to a third party using the National Grid gas distribution system. Solid and liquid waste will be sold as fertilizer and water at the end of the cycle will be sent to the Bergen Point treatment facility.

The facility will process up to 210,000 tons of food waste and fats, oils, and grease annually, and would produce 960 dekatherms of biogas.

AOE's application for tax and other incentives from the Brookhaven Industrial Development Agency shows the facility could receive a mortgage recording tax exemption of up to \$723,750 and a sales tax exemption on facilities equipment and other materials of up to \$5.7 million, and it could make payments in lieu of taxes of from \$12,280 to \$14,670 over 10 years. IDA chief Lisa Mulligan and AOE said the figures could change before the application is finalized.

The application shows the New York State Energy Research and Development Authority and Empire State Development have granted \$1.75 million for the project.

A January “planned ownership structure” statement shows that Viridi Energy LLC, a wholly owned subsidiary of investment firm Warburg Pincus, expected to take a 85% stake in the company.

Previous documents listed Charles and Arnold Vigliotti as holding 50% of the company each.

Vigliotti said the negotiations with Viridi were ongoing, and the 85% stake listed in IDA documents was "wrong." He added he and his brother "will control the project," but declined to provide further details.

By Mark Harrington

mark.harrington@newsday.com [M](#)HarringtonNews

Mark Harrington, a Newsday reporter since 1999, covers energy, wineries, Indian affairs and fisheries.

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MOST POPULAR

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

DATE: 5/24/2022

APPLICATION OF: WF Industrial XII LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 80 8th Avenue, Suite 1602
New York, NY 10011

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 \$3,000 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.

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Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): WF Industrial XII LLC

Address: 80 8th Avenue, Suite 1602
New York, NY 10011

Federal Employer ID #: [REDACTED] Website: _____

NAICS Code: 531120

Owner Officer Certifying Application: Matthew Dicker

Title of Officer: Authorized Signatory

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

B. Business Type:

Sole Proprietorship Partnership Limited Liability Company

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”)

Commercial Real Estate Owner & Lessors

D. Owner Counsel:

Firm Name: Certilman Balin Adler & Hyman, LLP

Address: 90 Merrick Avenue, 9th Floor
East Meadow, NY 11554

Individual Attorney: Daniel J. Baker

Phone Number: 516-296-7158 E-mail: dbaker@certilmanbalin.com

E. Principal Stockholders, Members or Partners, if any, of the Owner:

Name	Percent Owned
<u>B-W Brookhaven Holdings LLC</u>	<u>100%</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

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.

N/A

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:

WF Industrial Holdings XII LLC and MM Brookhaven Member LLC
have respective 5% and 95% interest in the Principal Member of Owner

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:

No

K. List major bank references of the Owner:

Santander Bank, John Gunther-Mohr, jgunther@santander.us

CIT, Garrett Thelander, garrett.thelander@cit.com

First Republic Bank, Martin Gibson, mgibson@firstrepublic.com

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"): _____

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

B. Business Type:

Sole Proprietorship Partnership Privately Held

Public Corporation Listed on _____

State of Incorporation/Formation: _____

C. Nature of Business:

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

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: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name

Percent Owned

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)

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

H. If any of the above persons (see "F", 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:

J. List parent corporation, sister corporations and subsidiaries:

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:

L. List major bank references of the User:

Part II – Operation at Current Location N/A

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

1. Current Location Address: _____

2. Owned or Leased: _____

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

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

5. Are other facilities or related companies of the Applicant located within the State?
Yes No

A. If yes, list the Address: _____

6. Will the completion of the project result in the removal of any facility or facilities of the Applicant from one area of the state to another OR in the abandonment of any facility or facilities of the Applicant located within the State? Yes No

A. If no, explain how current facilities will be utilized: _____

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:

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 (indicate hourly or yearly salary):

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: North side of LIE (SR495), North Service Road, Yaphank, New York

B. Tax Map: District 0200 Section 662 Block 02 Lot(s) 5.16

C. Municipal Jurisdiction:

- i. Town: Brookhaven
ii. Village: N/A
iii. School District: Longwood

D. Acreage: 71.45

3. Project Components (check all appropriate categories):

- A. Construction of a new building Yes No
i. Square footage: 549,942
- B. Renovations of an existing building Yes No
i. Square footage: _____
- C. Demolition of an existing building Yes No
i. Square footage: _____
- D. Land to be cleared or disturbed Yes No
i. Square footage/acreage: 42.11
- E. Construction of addition to an existing building Yes No
i. Square footage of addition: _____
ii. Total square footage upon completion: _____
- F. Acquisition of an existing building Yes No
i. Square footage of existing building: _____

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

HVAC, Dock Door Equipment

4. Current Use at Proposed Location:

- A. Does the Applicant currently hold fee title to the proposed location? Yes.
i. If no, please list the present owner of the site: _____

B. Present use of the proposed location: **Vacant land**

- 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
-

- 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: Applicant intends to construct three (3) one (1) story warehouses
totaling 549,924 square feet for use as warehouses/distribution facilities.
-

- B. Proposed product lines and market demands: Applicant intends to meet the market demands for
industrial and warehouse users.
-

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:

TBD - Applicant does not have proposed end users for its contemplated facilities as of even date.

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

Applicant is pursuing this project to meet the growing demand across Long Island for warehouse/distribution facilities.

E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes No

i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location? _____

F. To what extent will the project utilize resource conservation, energy efficiency, green technologies and alternative / renewable energy measures?

Applicant will utilize environmentally friendly technologies to the extent that same are available and/or commercially reasonable.

6. Project Work:

A. Has construction work on this project begun? If yes, complete the following:

i. Site Clearance:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
ii. Foundation:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
iii. Footings:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
iv. Steel:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
v. Masonry:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
vi. Other:	None			_____

B. What is the current zoning? Light Industrial

C. Will the project meet zoning requirements at the proposed location?

Yes No

D. If a change of zoning is required, please provide the details/status of the change of zone request: N/A

E. Have site plans been submitted to the appropriate planning department? Yes No

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: Closed on December 15, 2021

ii. Construction/Renovation/Equipping: Upon issuance of building permits.

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: 24 months to complete construction phase; occupancy of

first building within 16 months of commencement of construction

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>44,000,000</u>
Building(s) demolition/construction	\$ <u>54,040,000</u>
Building renovation	\$ <u>0</u>
Site Work	\$ <u>10,000,000</u>
Machinery and Equipment	\$ <u>1,960,000</u>
Legal Fees	\$ <u>992,540</u>
Architectural/Engineering Fees	\$ <u>2,910,700</u>
Financial Charges	\$ <u>7,925,201</u>
Other (Specify)	\$ <u>Other Hard and Soft Costs \$34,183,470 (See attached schedule)</u>
Total	\$ <u>156,011,911</u>

Please note, IDA fees are based on the total project costs listed above. At the completion of your project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be adjusted as a result of the certified cost affidavit. Money will not be refunded if the final project cost is less than the amount listed above.

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ <u>0</u>	_____ years
B. Taxable bond financing:	\$ <u>0</u>	_____ years
C. Conventional Mortgage:	\$ <u>95,604,099</u>	_____ years
D. SBA (504) or other governmental financing:	\$ <u>0</u>	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>0</u>	
F. Other loans:	\$ <u>0</u>	_____ years
G. Owner/User equity contribution:	\$ <u>60,407,812</u>	_____ years
Total Project Costs	\$ <u>156,011,911</u>	

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

i. If yes, provide detail on a separate sheet. Please see Schedule of Costs Incurred annexed hereto.

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:

No

Part V – Project Benefits

1. **Mortgage Recording Tax Benefit:**

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

\$ 95,604,099.00

B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and .75%):

\$ 717,030.74

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):

\$ 40,384,000.00

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

\$ 3,483,120.00

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

i. Owner: \$ _____

ii. User: \$ _____

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: N/A

B. Agency PILOT Benefit:

i. Term of PILOT requested: ^{15 Years (5 year freeze at land only value plus 2% increases and 10 years at double 485-B.} _____

ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and attach such information to Exhibit A hereto. Applicant hereby requests such PILOT benefit as described on Exhibit A.

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

Part VI – Employment Data

- 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:

Present number of employees: 0 5/24/22 N/A
 Date Average Annual Salary of Jobs to be Retained
 First Year: 2024 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Full-time													170*
Part-time													21*

*estimates at this time

Second Year: 2025 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Full-time													170*
Part-time													21*

*estimates at this time

Number of Residents of LMA:

Full-Time: 170
 Part-Time: 21

Cumulative Total Employees After Year 2 191

* The Labor Market Area includes the County/City/Town/Village in which the project is located as well as 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 Created	Average Salary	Average Fringe Benefits
Salary Wage Earners	\$55,000-\$75,000*	Health & Pension/401k (30% of base salary)
Commission Wage Earners		
Hourly Wage Earners	\$25 per hour*	Health (30% of base salary)
1099 and Contract Workers		

*estimates at this time

What is the annualized salary range of jobs to created? _____ to _____

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 proceed with this project without the Agency's assistance? (If no, please explain why; if yes, please explain why the Agency should grant the benefits requested)

Yes No

Due to rising construction materials and labor costs, increased real estate taxes, and uncertainty of taxes required by lenders,

Applicant would not be able to proceed with the proposed project without the Agency's financial assistance.

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?

If Applicant is unable to obtain financial assistance from the Agency, Applicant would have to identify other areas for investment with lower taxes,

and the Town would lose the benefit of new industrial real estate stock within its borders.

5. 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 Job Training Partnership Act (PL 97-300) 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

6. 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 in the Project as well as may lead to other possible enforcement actions.

Initial

7. 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

8. 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

9. 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. The IDA fees are based on the total project costs listed in this application. At the completion of the project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be increased as a result of the certified cost affidavit. Monies will not be refunded if the final costs are below the amount listed in the application.

Initial

10. 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

11. 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

12. 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

13. The Company hereby authorizes the Agency, without further notice or consent, to use the Company's name, logo and photographs related to the Facility in its advertising, marketing and communications materials. Such materials may include web pages, print ads, direct mail and various types of brochures or marketing sheets, and various media formats other than those listed (including without limitation video or audio presentations through any media form). In these materials, the Agency also has the right to publicize its involvement in the Project.

Initial

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 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 – Special Representations

1. 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. The Applicant hereby indicates its compliance with Section 862(1) by signing the applicable statement below. (Please sign only one of the following statements a. or b. below).


- a. The completion of the entire project will not 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.

Representative of the Applicant: _____ 

- b. The completion of this entire project will 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 because 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.

Representative of the Applicant: _____

2. 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.

Representative of the Applicant: _____ 

3. 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.

Representative of the Applicant: _____ 

4. 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.

Representative of the Applicant: _____ 

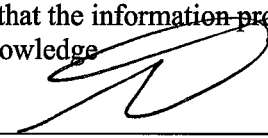
Part X – Certification

MATTHEW DICKER (name of representative of entities submitting application) deposes and says that he or she is the Authorized Signatory (title) of WF Industrial XII LLC, the entities 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.

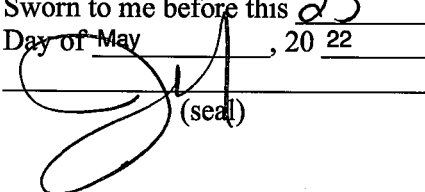
Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the “Applicant”) and to bind the Applicant. The grounds of deponent’s belief relative to all matters in said Application which are not stated upon his/her personal 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 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.

The Applicant hereby subscribes and affirms under the penalties of perjury that the information provided in this Application is true, accurate and complete to the best of his or her knowledge



Representative of Applicant

Sworn to me before this 23
Day of May, 20 22

(seal)

JACQUELYN SEGAL
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SE6190719
Qualified in New York County
My Commission Expires 09-02-2024

**** Note: If the entities named in this Application are unrelated and one individual cannot bind both entities, Parts VII, IX and X of this Application must be completed by an individual representative for each entity ****

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 to this Exhibit.

Town of Brookhaven Industrial Development
Schedule of Fees

Application -	\$3,000 for projects with total costs under \$5 million \$4,000 for projects with total costs \$5 million and over (non-refundable)
Closing/Expansion Sale/Transfer/Increase of Mortgage Amount/ Issuance of Refunding Bonds -	$\frac{3}{4}$ of one percent up to \$25 million total project cost and an additional $\frac{1}{4}$ of one percent on any project costs in excess of \$25 million. Projects will incur a minimum charge of \$10,000 plus all fees incurred by the Agency including, but not limited to publication, legal, and risk monitoring.
Annual Administrative -	\$2,000 administrative fee plus \$500 per unrelated subtenant located in the project facility. This fee is due annually.
Termination –	Between \$1,000 and \$2,500
Refinance (excluding refunding bonds) –	$\frac{1}{4}$ of one percent of mortgage amount or \$5,000, whichever is greater.
Late PILOT Payment –	5% penalty, 1% interest compounded monthly, plus \$1,000 administrative fee.
PILOT extension -	a minimum of \$15,000
Processing Fee -	\$275 per hour with a minimum fee of \$275
Lease of Existing Buildings (partial or complete) -	Fee is based on contractual lease amount.

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

The purpose of the Brookhaven IDA is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in the Town.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs be encouraged in projects funded by the issuance of IDA tax exempt bonds in large projects.

The following shall be the policy of the Town of Brookhaven IDA for application for financial assistance in the form of tax-exempt financing for projects with anticipated construction costs in excess of \$5,000,000.00 per site received after January 1, 2005. Non-profit corporations and affordable housing projects are exempt from the construction wage policy.

Any applicant required to adhere to this policy shall agree to:

- (1) Employ 90% of the workers for the project from within Nassau or Suffolk Counties. In the event that this condition cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure to comply and;
- (2) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program;

OR

- (3) Provide to the Agency a project labor agreement or alternative proposal to pay fair wages to workers at the construction site.

Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in the best interests of the Town of Brookhaven.

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the “Act”), the Town of Brookhaven Industrial Development Agency (the “Agency”) is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Agency to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Agency to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 8, 2016.

I. Termination or Suspension of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Agency and a project applicant (the “Applicant”) or any other document entered into by such parties in connection with a project (the “Project Documents”). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term “Financial Assistance” shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency’s participation in the transaction contemplated by the Project Agreements including, but not limited to:

- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Applicant;

- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Agency may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.

III. Modification of Payment In Lieu of Tax Agreement

In the case of any Event of Default or Recapture Event, in lieu of terminating, suspending or recapturing the Financial Assistance, the Agency may, in its sole discretion, adjust the payments in lieu of taxes due under the Project Agreements, so that the payments in lieu of taxes payable under the Project Agreements are adjusted upward retroactively and/or prospectively for each tax year until such time as the Applicant has complied with the provisions of the Project Agreements. The amount of such adjustments shall be determined by the provisions of the Project Documents.

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. 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 31st of each year, or in two equal payments due January 31st and May 31st 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 31st** of any year or **May 31st** 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.

WF Industrial XII LLC - Costs Spent to Date

Section 3. Project Financing (B)

Property	\$44,000,000
Fees	\$437,826
Legal Acquisition	\$36,777
Due Diligence	\$60,851
Pre-Construction Consulting	\$35,000
Electrical Service Extension	\$174,791
Surveys	\$11,950
Geotechnical	\$115,000
Environmental	\$13,794
Architect	\$530,301
M/E/P Engineer	\$355,645
Structural Engineer	\$265,075
Traffic Engineer	\$51,917
Civil Engineer	\$111,369
Peer Review	\$8,700
Legal (JV)	\$255,762
Title Insurance	\$129,194
Broker	\$837,388
Legal	\$22,420
Land Use Legal	\$77,885
TDR Allowance	\$3,775
PM Fees	\$99,000
Permits	\$200,251
SEQRA	\$16,536
Expediter	\$3,698
Marketing	\$38,419
Renderings	\$9,000
Lobbyist	\$52,500
Annual Filing Fees	\$3,250
Partner Costs	\$5,475
Accounting	\$1,286
Consultant Reimbursables	\$1,465
Professional Photos	\$250
Real Estate Taxes	\$19,793
Insurance	\$18,641
Developer Fee	\$353,679
Total	\$48,358,661

WF Industrial XII LLC	
BUDGET	Total

OTHER HARD COSTS

Pre Con	\$55,000
DOT Bond	\$50,000
DOT Work	\$1,000,000
Emergency Radio Coverage	\$280,000
Water Main	\$600,000
Electrical Service Extension	\$198,000
Gas Service Extension	\$202,000
Cameras	\$100,000
Tenant Improvement Cost	\$2,200,000
Surveys	\$165,000
Geotechnical	\$180,000
Environmental	\$50,000
SWPPP Inspections	\$55,440
Commissioning	\$240,000
Miscellaneous	\$65,000
Contingency	\$7,435,114

OTHER SOFT COSTS

Acquisition Fee	\$440,000
Pro-Rations	(\$1,523)
Deposit Interest	(\$651)
Environmental Phase I	\$2,800
Survey	\$29,375
Geotech	\$15,250
Entity Formation, Notice of Publication	\$2,775
Civil Due Diligence	\$9,500
Site Plan Review (PZR)	\$1,150
IDA Application Fee	\$564,030
Pine Barrens TDR Allowance	\$175,000
Project Manager	\$405,000
Permits	\$1,815,000
Environmental Allowance	\$45,000
Environmental - SEQRA	\$75,000
Expediter	\$130,000
Marketing	\$150,000
Renderings	\$40,000
Violations Allowance	\$25,000
Lobbyist Allowance	\$90,000
Annual Filing fees	\$7,500
Working Capital	\$75,000
Barings Development Oversight	\$160,000
CBRE Consultant Costs	\$85,900
CBRE Consultant Close Out Costs	\$5,000
Building Enclosure PreCon - MA Caputo	\$6,000
Building Enclosure Con - MA Caputo	\$9,600
Lender Construction Consultant Inspections	\$72,900
Accounting/Tax Prep/Cost Segregation	\$30,000
Consultant Reimbursables, DOB Violations	\$40,000
Drone Professional Photos	\$10,000
Tax Attorney	\$15,000
Utilities Deposits: Water/Sewer, Electricity, Gas, Security	\$175,000
Real Estate Taxes	\$418,263
Leasing Commissions - Outside Broker	\$4,760,045
Leasing Commissions - Wildflower	\$2,380,022
CM & OPPI Insurance	\$355,000
Environmental Insurance and CPL	\$500,000
Insurance - Builder's Risk and GL	\$1,670,145
Insurance - First Year of Operations	\$300,000
Developer Fee	\$3,872,798
Contingency	\$2,347,036
Total Other Hard & Soft Costs	\$34,183,470

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

DATE: 5/24/2022

APPLICATION OF: WF Industrial XIII LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 80 8th Avenue, Suite 1602
New York, NY 10011

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 \$3,000 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.

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PART I	OWNER AND USER DATA
PART II	OPERATION AT CURRENT LOCATION
PART III	PROJECT DATA
PART IV	PROJECT COSTS AND FINANCING
PART V	PROJECT BENEFITS
PART VI	EMPLOYMENT DATA
PART VII	REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION
PART VIII	SUBMISSION OF MATERIALS
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): WF Industrial XIII LLC

Address: 80 8th Avenue, Suite 1602
New York, NY 10011

Federal Employer ID # [REDACTED] Website: _____

NAICS Code: 531120

Owner Officer Certifying Application: Matthew Dicker

Title of Officer: Authorized Signatory

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

B. Business Type:

Sole Proprietorship Partnership Limited Liability Company

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")

Commercial Real Estate Owner & Lessors

D. Owner Counsel:

Firm Name: Certilman Balin Adler & Hyman, LLP

Address: 90 Merrick Avenue, 9th Floor
East Meadow, NY 11554

Individual Attorney: Daniel J. Baker

Phone Number: 516-296-7158 E-mail: dbaker@certilmanbalin.com

E. Principal Stockholders, Members or Partners, if any, of the Owner:

Name	Percent Owned
<u>D-W Medford Holdings LLC</u>	<u>100%</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

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.

N/A

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:

WF Industrial Holdings XIII LLC and Series 4 of DREP Fund IV Master, LLC
have respective 10% and 90% interest in the Principal Member of Owner

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:

No

K. List major bank references of the Owner:

Santander Bank, John Gunther-Mohr, jgunther@santander.us

CIT, Garrett Thelander, garrett.thelander@cit .com

First Republic Bank, Martin Gibson, mgibson@firstrepublic.com

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"): _____

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

B. Business Type:

Sole Proprietorship Partnership Privately Held

Public Corporation Listed on _____

State of Incorporation/Formation: _____

C. Nature of Business:

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

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: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
_____	_____
_____	_____
_____	_____

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)

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

H. If any of the above persons (see "F", 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:

J. List parent corporation, sister corporations and subsidiaries:

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:

L. List major bank references of the User:

Part II – Operation at Current Location N/A

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

1. Current Location Address: _____

2. Owned or Leased: _____

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

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

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

Yes No

A. If yes, list the Address: _____

6. Will the completion of the project result in the removal of any facility or facilities of the Applicant from one area of the state to another OR in the abandonment of any facility or facilities of the Applicant located within the State? Yes No

A. If no, explain how current facilities will be utilized: _____

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:

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 (indicate hourly or yearly salary):

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: 645 National Boulevard, Medford, New York 11763

B. Tax Map: District 0200 Section 812 Block 03 Lot(s) 5.9/5.10/5.11

C. Municipal Jurisdiction:

i. Town: Brookhaven
ii. Village: N/A
iii. School District: South Country (Lot 5.9); Longwood (Lots 5.10 & 5.11)

D. Acreage: 9.89

3. Project Components (check all appropriate categories):

- A. Construction of a new building Yes No
i. Square footage: 129,237
- B. Renovations of an existing building Yes No
i. Square footage: _____
- C. Demolition of an existing building Yes No
i. Square footage: _____
- D. Land to be cleared or disturbed Yes No
i. Square footage/acreage: 9.03
- E. Construction of addition to an existing building Yes No
i. Square footage of addition: _____
ii. Total square footage upon completion: _____
- F. Acquisition of an existing building Yes No
i. Square footage of existing building: _____

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

HVAC, Dock Door Equipment

4. Current Use at Proposed Location:

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

i. If no, please list the present owner of the site: _____

- B. Present use of the proposed location: **Vacant land**
-

- 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
-

- 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: Applicant intends to construct a one (1) story warehouse totaling 129,237 square for use as a warehouse

/ distribution facility

- B. Proposed product lines and market demands: Applicant intends to meet the market demands

for industrial and warehouse users.

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:

TBD - Applicant does not have proposed end users for its contemplated facilities as of the date of this submission.

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

Applicant is pursuing this project to meet the growing demand across Long Island for warehouse/distribution facilities.

E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes No

i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location? _____

F. To what extent will the project utilize resource conservation, energy efficiency, green technologies and alternative / renewable energy measures?

Applicant will utilize environmentally friendly technologies to the extent that same are available and/or commercially reasonable.

6. Project Work:

A. Has construction work on this project begun? If yes, complete the following:

i. Site Clearance:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
ii. Foundation:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
iii. Footings:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
iv. Steel:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
v. Masonry:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
vi. Other:	None			_____

B. What is the current zoning? Light Industrial

C. Will the project meet zoning requirements at the proposed location?

Yes No

D. If a change of zoning is required, please provide the details/status of the change of zone request: N/A

E. Have site plans been submitted to the appropriate planning department? Yes No

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: Closed on August 30, 2021

ii. Construction/Renovation/Equipping: Upon issuance of building permits.

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: 14 Months to complete the construction phase. Occupancy after construction completion and receipt of certificate of occupancy.

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	\$ 6,000,000
Building(s) demolition/construction	\$ 13,992,500
Building renovation	\$ 0
Site Work	\$ 1,000,000
Machinery and Equipment	\$ 507,500
Legal Fees	\$ 460,000
Architectural/Engineering Fees	\$ 1,048,100
Financial Charges	\$ 1,748,426
Other (Specify)	\$ Other Hard and Soft Costs \$9,040,465 (See attached schedule)
Total	\$ 33,796,991

Please note, IDA fees are based on the total project costs listed above. At the completion of your project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be adjusted as a result of the certified cost affidavit. Money will not be refunded if the final project cost is less than the amount listed above.

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ 0	_____ years
B. Taxable bond financing:	\$ 0	_____ years
C. Conventional Mortgage:	\$ 21,968,044	_____ years
D. SBA (504) or other governmental financing:	\$ 0	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ 0	
F. Other loans:	\$ 0	_____ years
G. Owner/User equity contribution:	\$ 11,828,947	_____ years
Total Project Costs	\$ 33,796,991	

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
Please see Schedule of Costs Incurred annexed hereto.

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:

No

Part V – Project Benefits

1. **Mortgage Recording Tax Benefit:**

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

\$ 21,968,044.00

B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and .75%):

\$ 164,760.33

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):

\$ 9,503,000.00

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

\$ 819,633.75

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

i. Owner: \$ _____

ii. User: \$ _____

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: N/A

B. Agency PILOT Benefit:

i. Term of PILOT requested: 15 years (5 year freeze at land only value plus 2% increases, with 10 years at double 485-B) _____

ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and attach such information to Exhibit A hereto. Applicant hereby requests such PILOT benefit as described on Exhibit A.

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

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 proceed with this project without the Agency's assistance? (If no, please explain why; if yes, please explain why the Agency should grant the benefits requested)

Yes No

Due to rising construction materials and labor costs, increased real estate taxes, and uncertainty of taxes required by lenders,

Applicant would not be able to proceed with the proposed project

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?

If the Applicant is unable to obtain financial assistance from the Agency, Applicant would have to identify other areas with lower

taxes for investment, and the Town would lose the benefit of having new, job creating, industrial real estate stock added within its borders.

5. 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 Job Training Partnership Act (PL 97-300) 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 

6. 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 in the Project as well as may lead to other possible enforcement actions.

Initial 

7. 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 

8. 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 

9. 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. The IDA fees are based on the total project costs listed in this application. At the completion of the project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be increased as a result of the certified cost affidavit. Monies will not be refunded if the final costs are below the amount listed in the application.

Initial 

10. 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 

11. 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 

12. 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 

13. The Company hereby authorizes the Agency, without further notice or consent, to use the Company's name, logo and photographs related to the Facility in its advertising, marketing and communications materials. Such materials may include web pages, print ads, direct mail and various types of brochures or marketing sheets, and various media formats other than those listed (including without limitation video or audio presentations through any media form). In these materials, the Agency also has the right to publicize its involvement in the Project.

Initial 

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 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 – Special Representations

1. 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. The Applicant hereby indicates its compliance with Section 862(1) by signing the applicable statement below. **(Please sign only one of the following statements a. or b. below).**

a. The completion of the entire project will not 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.

Representative of the Applicant: _____ 

b. The completion of this entire project will 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 because 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.

Representative of the Applicant: _____

2. 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.

Representative of the Applicant: _____ 

3. 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.

Representative of the Applicant: _____ 

4. 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.

Representative of the Applicant: _____ 

Part X – Certification

MATTHEW A. DICKER (name of representative of entities submitting application) deposes and says that he or she is the AUTHORIZED SIGNATORY (title) of WF INDUSTRIAL XIII LLC the entities 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 entities 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.

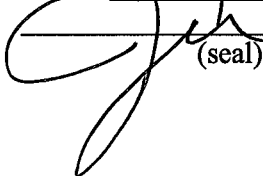
As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the “Agency”) in connection with this Application, the attendant negotiations and 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 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.

The Applicant hereby subscribes and affirms under the penalties of perjury that the information provided in this Application is true, accurate and complete to the best of his or her knowledge



Representative of Applicant

Sworn to me before this 23rd
Day of May, 20 22


(seal)

JACQUELYN SEGAL
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SE6190719
Qualified in New York County
My Commission Expires 09-02-2024

**** Note: If the entities named in this Application are unrelated and one individual cannot bind both entities, Parts VII, IX and X of this Application must be completed by an individual representative for each entity ****

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 to this Exhibit.

Town of Brookhaven Industrial Development
Schedule of Fees

Application -	\$3,000 for projects with total costs under \$5 million \$4,000 for projects with total costs \$5 million and over (non-refundable)
Closing/Expansion Sale/Transfer/Increase of Mortgage Amount/ Issuance of Refunding Bonds -	¾ of one percent up to \$25 million total project cost and an additional 1/4 of one percent on any project costs in excess of \$25 million. Projects will incur a minimum charge of \$10,000 plus all fees incurred by the Agency including, but not limited to publication, legal, and risk monitoring.
Annual Administrative -	\$2,000 administrative fee plus \$500 per unrelated subtenant located in the project facility. This fee is due annually.
Termination –	Between \$1,000 and \$2,500
Refinance (excluding refunding bonds) –	1/4 of one percent of mortgage amount or \$5,000, whichever is greater.
Late PILOT Payment –	5% penalty, 1% interest compounded monthly, plus \$1,000 administrative fee.
PILOT extension -	a minimum of \$15,000
Processing Fee -	\$275 per hour with a minimum fee of \$275
Lease of Existing Buildings (partial or complete) -	Fee is based on contractual lease amount.

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

The purpose of the Brookhaven IDA is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in the Town.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs be encouraged in projects funded by the issuance of IDA tax exempt bonds in large projects.

The following shall be the policy of the Town of Brookhaven IDA for application for financial assistance in the form of tax-exempt financing for projects with anticipated construction costs in excess of \$5,000,000.00 per site received after January 1, 2005. Non-profit corporations and affordable housing projects are exempt from the construction wage policy.

Any applicant required to adhere to this policy shall agree to:

- (1) Employ 90% of the workers for the project from within Nassau or Suffolk Counties. In the event that this condition cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure to comply and;
- (2) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program;

OR

- (3) Provide to the Agency a project labor agreement or alternative proposal to pay fair wages to workers at the construction site.

Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in the best interests of the Town of Brookhaven.

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the “Act”), the Town of Brookhaven Industrial Development Agency (the “Agency”) is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Agency to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Agency to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 8, 2016.

I. Termination or Suspension of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Agency and a project applicant (the “Applicant”) or any other document entered into by such parties in connection with a project (the “Project Documents”). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term “Financial Assistance” shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency’s participation in the transaction contemplated by the Project Agreements including, but not limited to:

- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Applicant;

- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Agency may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.

III. Modification of Payment In Lieu of Tax Agreement

In the case of any Event of Default or Recapture Event, in lieu of terminating, suspending or recapturing the Financial Assistance, the Agency may, in its sole discretion, adjust the payments in lieu of taxes due under the Project Agreements, so that the payments in lieu of taxes payable under the Project Agreements are adjusted upward retroactively and/or prospectively for each tax year until such time as the Applicant has complied with the provisions of the Project Agreements. The amount of such adjustments shall be determined by the provisions of the Project Documents.

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. 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 31st of each year, or in two equal payments due January 31st and May 31st 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 31st** of any year or **May 31st** 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.

WF Industrial XIII LLC - Costs Spent to Date

Section 3. Project Financing (B)

Property	\$6,000,000
Fees	\$95,489
Legal Acquisition	\$83,066
Due Diligence	\$54,346
Pre-Construction Consulting	\$10,000
Electrical Service Extension	\$27,907
Surveys	\$1,200
Geotechnical	\$47,750
Fire Protection Plans	\$10,425
Architect	\$243,786
M/E/P Engineer	\$125,624
Structural Engineer	\$87,688
Traffic Engineer	\$22,663
Civil Engineer	\$48,731
Legal (JV)	\$36,052
Title Insurance	\$28,669
Legal (Project)	\$12,982
Land Use Legal	\$17,973
TDR Allowance	\$0
PM Fees	\$54,000
Permits	\$58,441
Expediter	\$2,448
Marketing	\$34,717
Renderings	\$12,750
Lobbyist	\$0
Annual Filing Fees	\$967
Partner Costs	\$0
Accounting	\$7,948
Consultant Reimbursables	\$3,179
Professional Photos	\$0
Real Estate Taxes	\$10,988
Insurance	\$50,339
Developer Fee	\$203,636
Total	\$7,393,760

WF Industrial XIII LLC	
Budget	Total
OTHER HARD COSTS	
Pre Con	\$25,000
DOT Bond	\$50,000
Emergency Radio Coverage	\$100,000
Solar	\$0
Cameras	\$40,000
Electric Service Extension Cost	\$30,000
Tenant Improvement Cost	\$516,968
Surveys	\$40,000
Geotechnical	\$82,000
Environmental - SWGMP	\$32,500
SWPPP Inspections	\$32,340
Commissioning	\$85,000
Fire Protection Plans / FA / FS / Fire Marshall Analysis	\$20,000
Vibration Monitoring	\$0
Miscellaneous	\$40,000
Contingency	\$1,771,635
OTHER SOFT COSTS	
Acquisition Fee	\$60,000
Drake Acquisition Fee	\$30,000
Pro-Rations	\$5,489
Deposit Interest	(\$211)
ACM Survey	\$0
Environmental Phase I	\$2,300
Environmental Phase II	\$6,204
Survey / Utility Mark Out	\$11,375
Geotech (Tectonic)	\$10,000
Civil Due Diligence	\$6,263
Entity Formation, Notice of Publication	\$2,399
Aerial Photo	\$920
Site Plan Review (PZR)	\$1,500
Zoning Attorney (Certilman Balin)	\$10,760
Expeditor	\$5,000
GMEI Utility	\$0
IDA Application Fees	\$258,492
Project Manager - Wildflower	\$279,000
Permits	\$588,773
Environmental	\$40,000
Expediter	\$120,000
Marketing	\$150,000
Renderings	\$20,000
Maintenance	\$28,000
Annual Filing fees	\$7,500
Working Capital	\$50,000
Lender Construction Consultant Inspections	\$25,500
Accounting/Tax Prep	\$30,000
Consultant Reimbursables, DOB Violations	\$40,000
Drone Professional Photos	\$10,000
Tax Attorney	\$0
Utilities Deposits: Water/Sewer, Electricity, Gas, Security	\$50,000
Real Estate Taxes	\$69,175
Leasing Commissions - Outside Broker	\$1,087,693
Leasing Commissions - Wildflower	\$543,847
CM & OPPI Insurance	\$155,000
Environmental Insurance and CPL	\$250,000
Insurance - Builder's Risk and GL	\$347,851
Insurance - First Year of Operations	\$169,930
Construction Management Fee - Wildflower	\$1,052,840
Contingency	\$649,421
Total Other Hard & Soft Costs	\$9,040,465

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION FOR CONSENT TO SUBLEASE

APPLICATION OF: 4 Pinehurst LLC (“Company”)

FOR CONSENT TO SUBLEASE TO

Matt-Con Services Corp. (“Subtenant”)

FACILITY/PROJECT: 4 PINEHURST DRIVE, BELLPORT, NY 11713

Please respond to all items either by filing 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 \$750.00 non-refundable application fee is required at the time of submission to the Agency.

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

Please write or call:

Town of Brookhaven Industrial Development Agency
c/o Town of Brookhaven Division of Economic Development

One Independence Hill
Farmingville, New York 11738

(631) 451-6563

I. COMPANY DATA

A. COMPANY:

NAME: 4 Pinehurst LLC
ADDRESS: 4 PINEHURST DRIVE, BELLPORT, NY 11713
CONTACT: Francis A. Lee
POSITION: Member
PHONE: (516) 937-9200
FEDERAL EMPLOYER I.D.: 5859914

B. RELATED USERS OF THE FACILITY:

NAME	RELATIONSHIP
<u>Equipco, LLC</u>	<u>Affiliate</u>
<u>Integrated Structures Corp.</u>	<u>Affiliate</u>
<u>Matt-Con Services Corp.</u>	<u>Affiliate</u>

C. COMPANY COUNSEL:

FIRM NAME: Forchelli Deegan Terrana LLP
ADDRESS: 333 Earle Ovington Blvd., Suite 1010, Uniondale, NY 11553
INDIVIDUAL ATTORNEY: Daniel Dornfeld
PHONE: (516) 248-1700

D. PRINCIPAL STOCKHOLDERS, MEMBERS OR PARTNERS, IF ANY, OF COMPANY AND RELATED USERS (5% OR MORE EQUITY):

NAME	PERCENT OWNED	COMPANY/ RELATED USER
<u>Francis A. Lee</u>	<u>100%</u>	<u></u>
<u></u>	<u></u>	<u></u>

E. 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)

Integrated Structures Corp. filed for bankruptcy on October 2, 2015 (Case 8-15.7542).

On June 30, 2020, the plan was confirmed and the company exited bankruptcy.

ii. BEEN CONVICTED OF A FELONY, OR MISDEMEANOR, OR CRIMINAL OFFENSE (OTHER THAN A MOTOR VEHICLE VIOLATION)? (IF YES, PLEASE EXPLAIN)

Yes. Please see letter of explanation attached to original IDA application.

II. PROJECT/FACILITY DATA

A. LOCATION OF PROJECT:

ADDRESS: 4 Pinehurst Drive, Bellport, NY 11731

S.C. TAX MAP:

DISTRICT 0200 SECTION 814.00 BLOCK 02.00 LOT 033.000

B. PROJECT SITE:

1. ACREAGE:

3.03

2. BUILDING:

A) SIZE

15,000 sq. ft. (plus 3,000 sq. ft. mezzanine if room is available).

B) CURRENT OCCUPANTS, AREA OCCUPIED AND USES

CURRENT OCCUPANT	AREA OCCUPIED (Sq. Ft.)	USE
<u>Integrated Structures Corp.</u>	<u>100%</u>	<u>Metal Fabrication</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

III. PROPOSED SUBTENANT

A. NAME AND ADDRESS

Matt-Con Services Corp.

4 PINEHURST DRIVE, BELLPORT, NY 11713

B. AFFILIATES' NAMES AND ADDRESSES

Equipco, LLC, Integrated Structures Corp., 4 Pinehurst LLC

4 PINEHURST DRIVE, BELLPORT, NY, UNITED STATES, 11713

C. CURRENT LOCATION

4 PINEHURST DRIVE, BELLPORT, NY 11713

D. NAME AND ADDRESS OF PRINCIPALS OF SUBTENANT AND AFFILIATES

Francis Lee

4 PINEHURST DRIVE, BELLPORT, NY 11713

E. RELATIONSHIP OF SUBTENANT TO COMPANY

Common ownership

F. PROPOSED AREA TO BE OCCUPIED

100%

G. PROPOSED USE BY SUBTENANT

Fabrication of structural steel parts.

H. DOES PROPOSED USE AND OCCUPANCY COMPLY WITH ALL PLANNING, ZONING, BUILDING, HEALTH AND ENVIRONMENTAL LAWS, REGULATIONS AND REQUIREMENTS, AND ALL COVENANTS, AGREEMENTS AND DECLARATIONS OF RECORD?

Yes.

I. PROPOSED SUBLEASE TERMS

TERM:

10 years.

COMMENCEMENT DATE:

**Upon consent of the Town of Brookhaven Industrial
Development Agency.**

GUARANTORS:

BASE RENT:

\$2,500.00 per month.

BASE RENT INCREASES:

0

COMMON AREA RENT:

0

REAL ESTATE TAXES:

0

IMPROVEMENTS TO PROPOSED DEMISED AREA TO BE MADE BY
COMPANY

DESCRIPTION: n/a

COST: _____

SOURCE OF PAYMENT: _____

IMPROVEMENTS TO PROPOSED DEMISED AREA TO BE MADE BY
SUBTENANT

DESCRIPTION: n/a

COST: _____

SOURCE OF PAYMENT: _____

FAIR MARKET RENT EVALUATION
IS RENT TO BE CHARGED FAIR MARKET?

No.

HOW WAS FAIR MARKET RENT DETERMINED? (ATTACH SUPPORTING DOCUMENTATION)

DOES OR WILL ANY OF THE "FINANCIAL ASSISTANCE" PROVIDED BY THE AGENCY, INCLUDING REAL ESTATE TAX EXEMPTION, SALES AND USE TAX EXEMPTION AND MORTGAGE RECORDING TAX EXEMPTION, BENEFIT THE SUBTENANT IN ANY MANNER? IF SO, EXPLAIN.

No.

ATTACH COPY OF EXECUTED SUBLEASE (MAY BE CONDITIONED UPON AGENCY APPROVAL).

J. HOW MANY EMPLOYEES ARE THERE NOW

10

HOW MANY ADDITIONAL EMPLOYEES ARE EXPECTED IN REGARDS TO THIS APPLICATION

10

IV. MORTGAGEES

HAVE THE HOLDERS OF ALL MORTGAGES OF RECORD CONSENTED TO THE PROPOSED SUBLEASE? (ATTACH EVIDENCE THEREOF).

Yes.

COMPANY CERTIFICATION

FRANCIS A. LEE _____ [*Insert name of chief executive officer/manager/partner of proposed subtenant*] DEPOSES AND SAYS THAT HE IS THE MEMBER _____ [*insert title*] OF 4 PINEHURST LLC _____ [*insert name of Company*], THE COMPANY NAMED IN THE ATTACHED APPLICATION; THAT HE HAS READ THE FOREGOING APPLICATION AND KNOWS THE CONTENTS THEREOF; THAT THE SAME IS TRUE TO HIS KNOWLEDGE.

DEPONENT FURTHER SAYS THAT THE REASON THIS VERIFICATION IS BEING MADE BY THE DEPONENT AND NOT BY 4 PINEHURST LLC _____ [*insert name of Company*] IS BECAUSE THE SAID COMPANY IS A LIMITED LIABILITY COMPANY _____ [*insert type of entity*]. THE GROUNDS OF DEPONENT'S BELIEF RELATIVE TO ALL MATTERS IN THE SAID APPLICATION WHICH ARE NOT STATED UPON HIS OWN PERSONAL KNOWLEDGE, ARE INVESTIGATIONS WHICH DEPONENT HAS CAUSED TO BE MADE CONCERNING THE SUBJECT MATTER OF THIS APPLICATION AS WELL AS INFORMATION ACQUIRED BY DEPONENT IN THE COURSE OF HIS DUTIES AS AN OFFICER OF AND FROM BOOKS AND PAPERS OF SAID COMPANY.

AS AN MEMBER _____ [*insert position, e.g., officer, member, manager, partner*] OF SAID COMPANY (HEREINAFTER REFERRED TO AS 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 AND ALL MATTERS RELATING TO THE PROPOSED SUBLEASE, INCLUDING THE AGENCY'S ATTORNEYS' FEES, REGARDLESS OF WHETHER OR NOT 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 CONSUMMATE THE SUBLEASE FOR ANY REASON. UPON PRESENTATION OF INVOICES, APPLICANT SHALL PAY TO THE AGENCY, ITS AGENTS OR ASSIGNS, ALL COSTS INCURRED WITH RESPECT TO THE APPLICATION, INCLUDING FEES TO COUNSEL FOR THE AGENCY AND FEES OF GENERAL COUNSEL FOR THE AGENCY.

FRANCIS A. LEE _____
Chief Executive Officer/Member/Manager/Partner
of Company

Sworn to before me this
13th day of April, 2022.

Carolina Piccolo
NOTARY PUBLIC

CAROLINA PICCOLI
NOTARY PUBLIC - STATE OF NEW YORK
NASSAU COUNTY
LIC. NO. 01P16227530
COMM. EXP. September 07, 2022

SUBTENANT CERTIFICATION

FRANCIS A. LEE _____ *[Insert name of chief executive officer/manager/partner of proposed subtenant]* DEPOSES AND SAYS THAT HE IS THE MEMBER _____ *[insert title]* OF MATT-CON SERVICES CORP. _____, THE PROPOSED SUBTENANT *[insert name of subtenant]* NAMED IN THE ATTACHED APPLICATION; THAT HE HAS READ THE FOREGOING APPLICATION AND KNOWS THE CONTENTS THEREOF; THAT THE SAME IS TRUE TO HIS KNOWLEDGE.

DEPONENT FURTHER SAYS THAT THE REASON THIS VERIFICATION IS BEING MADE BY THE DEPONENT AND NOT BY MATT-CON SERVICES CORP. _____ *[insert name of subtenant]* IS BECAUSE THE SAID PROPOSED SUBTENANT IS A CORPORATION _____ *[insert type of entity]*. THE GROUNDS OF DEPONENT'S BELIEF RELATIVE TO ALL MATTERS IN THE SAID APPLICATION WHICH ARE NOT STATED UPON HIS OWN PERSONAL KNOWLEDGE, ARE INVESTIGATIONS WHICH DEPONENT HAS CAUSED TO BE MADE CONCERNING THE SUBJECT MATTER OF THIS APPLICATION AS WELL AS INFORMATION ACQUIRED BY DEPONENT IN THE COURSE OF HIS DUTIES AS AN OFFICER OF AND FROM BOOKS AND PAPERS OF SAID PROPOSED SUBTENANT.

FRANCIS A. LEE _____
Chief Executive Officer/Member/Manager/Partner
of Proposed Subtenant

Sworn to before me this
19th day of April, 2022.

[Signature]
NOTARY PUBLIC

CAROLINA PICCO NOTARY PUBLIC - STATE OF NEW YORK NASSAU COUNTY LIC. NO. 01P022751C COMM. EXP. <u>September 07, 2022</u>

LONG ISLAND / SUFFOLK

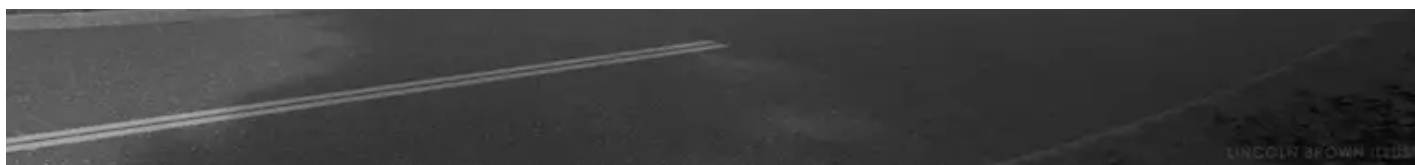
ONLY IN NEWSDAY

New distribution center planned at vacant industrial property in Shirley



MENU

LM



Rendering of a building that will be constructed in Shirley as part of Precision Innovation Park, a 500,000-square-foot warehouse and distribution complex. Credit: AVR SP Brookhaven JV LLC

By Carl MacGowan

Carl.Macgowan@newsday.com [Twitter](#) CarlMacGowan

Updated April 14, 2022 5:57 pm

Construction could start as soon as next week on the first of three buildings at a new Shirley distribution center that will offer 500,000 square feet of space for warehouses and storage, developers say.

Precision Innovation Park will be built by AVR SP Brookhaven JV LLC on a previously vacant 48-acre industrial property south of the Long Island Expressway and east of William Floyd Parkway. When completed, the complex will include two buildings for warehouses and

distribution centers and a separate 100,000-square-foot self-storage facility.

Chicago-based real estate giant JLL announced Tuesday it had been retained to attract tenants for the two distribution facilities, which combined would comprise 400,000 square feet.

"The location of this facility is ideal for companies seeking a logistics center with direct access to the Long Island Expressway and Long Island's affluent and dense population," JLL executive managing director Leslie Lanne said in a statement. "Coupled with its state-of-the-art design and competitive operating costs, Precision Innovation Park offers extraordinary flexibility at a time of increasing demand for logistics space."

JLL, also known as Jones Lang LaSalle is the master developer of a separate project in Ronkonkoma aimed at developing a convention center and hotel and building a new northern terminal for Long Island MacArthur Airport. The \$2.3 billion project, dubbed Midway Crossing, requires multiple federal, state, Suffolk County and Islip Town approvals and is expected to take about 15 years to complete.

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In Shirley, AVR SP Brookhaven hopes to start construction next week on a 150,000-square-foot distribution center that would open next year, said Brian Ferruggiari, director of public affairs for AVR Realty, a partner in the project. Construction would then begin on a 250,000-square-foot distribution building, he said. Ferruggiari said the project, which will cost \$100 million including land acquisition, will take four years to build and create about 100 construction jobs per year, adding there will be about 70 full-time jobs when it's finished.

The new buildings would be "state-of-the-art, up-to-date industrial" facilities with high ceilings required by prospective tenants, Ferruggiari said, adding they could be leased by one or more tenants.

AVR SP Brookhaven is a joint venture of Yonkers-based AVR Realty, the developer of the Boulevard residential and retail complex in Yaphank, and Scannell Properties, an Indianapolis-based real estate developer.

Plans for the industrial park are welcome news for Suffolk and Nassau counties, Long Island Builders Institute chief executive Mitch Pally told Newsday. The park is one of a number of distribution centers planned or under construction to meet high demand from big box stores and home delivery services, he said.

Precision will join other new distribution centers replacing obsolete warehouses that lack amenities such as high ceilings, Pally said. Taller buildings are needed because retailers want "more space going up rather than sideways," he said.

"It's very difficult to [build] one of these things that don't have the design for this kind of purpose," Pally said. "The older buildings cannot satisfy the need of the development in that regard."

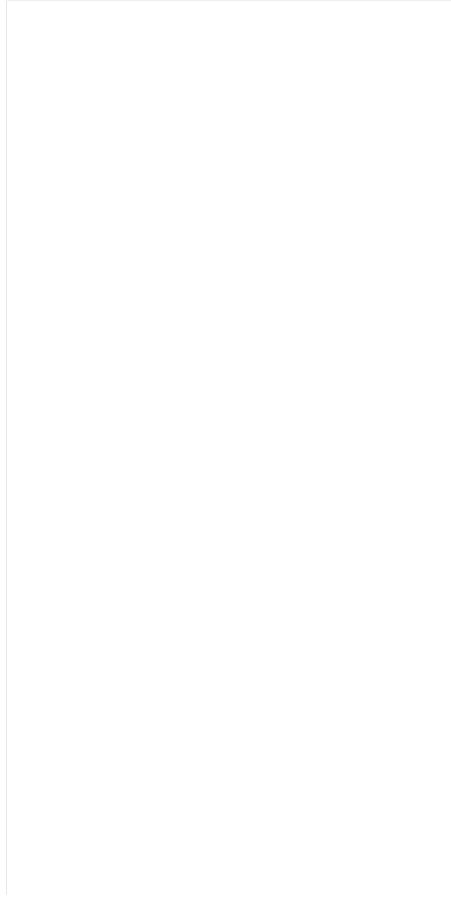


By Carl MacGowan

Carl.Macgowan@newsday.com [Twitter](#) CarlMacGowan

Carl MacGowan is a Long Island native who covers Brookhaven Town after having previously covered Smithtown, Suffolk County courts and numerous spot news and feature stories over his 20-plus year career at Newsday.

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David M. Curry

Partner

Direct Dial: 516.227.0698

Direct Fax: 516.336.2298

dcurry@farrellfritz.com

400 RXR Plaza

Uniondale, NY 11556

www.farrellfritz.com

VIA E-MAIL

May 25, 2022

Town of Brookhaven IDA Board
Lisa M.G. Mulligan, CEO
Town of Brookhaven IDA
Office of Economic Development
1 Independence Hill
Farmingville, NY 11738

**Re: AVR Yaphank Hotel and Loft Apartments LLC –
Refinance of Mortgage for Lofts Project**

Dear Ms. Mulligan and Members of the Board:

Reference is made to that certain Lease and Project Agreement dated as of December 1, 2017, by and between Town of Brookhaven Industrial Development Agency (the "IDA") and AVR Yaphank Hotel and Loft Apartments LLC (the "Company").

Please allow this letter to serve as Company's request, in accordance with Section 12.2 of the LPA, that the Agency mortgage its interest in the Facility to Pacific Life Insurance Company or affiliates in connection with the Company's execution and delivery of a \$100,000,000 permanent mortgage on the Facility. The original loan totaled approximately \$73,000,000. The Company intends to use the additional funds financed for the beneficial ownership of Borrower to recoup carrying and development costs incurred in the projects. The Company is not seeking any additional economic benefits in connection with this request. Drafts of the mortgage documents that the Agency will sign will be delivered to Agency counsel. Please consider this request at your next meeting scheduled for June 8, 2022.

Please feel free to contact me with any questions.

Very truly yours,

David M. Curry

FARRELL FRITZ, P.C.

cc: Terance Walsh, Esq. (Via E-Mail)



Peter L. Curry
Partner

Direct Dial: 516.227.0772
Direct Fax: 516.336.2208
pcurry@farrellfritz.com

400 RXR Plaza
Uniondale, NY 11556
www.farrellfritz.com

Our File No.
37605/100

May 2, 2022

Town of Brookhaven Industrial Development Agency
Office of Economic Development
1 Independence Hill
Farmingville, NY 11738
Attn: Ms. Lisa Mulligan, Executive Director

Re: NP/Winters Long Island Industrial, LLC Name Change

Ms. Mulligan:

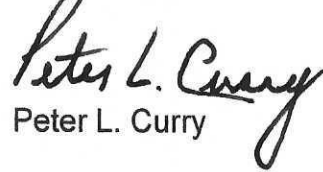
On December 29, 2021, NP/Winters Long Island Industrial, LLC closed on a facility with the Agency involving a significant industrial project in Yaphank, New York. The Company is proceeding vigorously to start the actual construction of the initial improvements. In the interim, it has determined to change the limited liability company name to more effectively represent the location and purpose of the project. On March 24, 2022, the Company filed a Certificate of Amendment with the Delaware Department of Corporations to substitute the name "Brookhaven Logistics Center, LLC" for the existing Company name. This is an amendment to change that Company name only; no change in membership interest or amendment to the provisions of the operational agreement is contemplated. You will continue to deal with the same personnel in the development of the facility. A copy of the Certificate of Amendment is attached hereto.

I request that all ST-60 and other sales tax abatement documentation, as well as any other correspondence between the Agency and the Company, reflect the new LLC name.

Town of Brookhaven Industrial Development Agency
May 2, 2022
Page 2

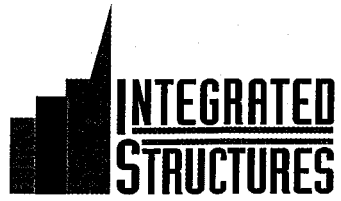
Please let me know if there is anything else that you require in order to accomplish this change.

Very truly yours,


Peter L. Curry

cc: Mr. Grant Polley
Evan Fitts, Esq.
William F. Weir, Esq.

Enclosure



4 PINEHURST DRIVE, BELLPORT, NY 11713

April 21, 2022

Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

ATTN: Lisa M. G. Mulligan, Chief Executive Officer

RE: 4 Pinehurst Drive, Bellport NY
Application for Consent to Sublease

Dear Lisa,

Please find enclosed our application for consent to a sublease for the applicant, 4 Pinehurst LLC.

I have included 2 original application forms along with copies of the sublease agreement between affiliates Integrated Structures Corp (tenant) and Matt-Con Services Corp (subtenant).

I have also included a check for the \$750.00 application fee.

Feel free to reach out to me if you have any other questions or concerns.

Very truly Yours,

A handwritten signature in black ink, appearing to read "Tim Raxon", with a large, sweeping flourish underneath.

Tim Raxon

Controller

WF INDUSTRIAL XII LLC

c/o Wildflower Ltd. LLC
80 EIGHTH AVENUE, SUITE 1602
NEW YORK, NY 10011
www.wildflowerltd.com

May 24, 2022

Town of Brookhaven Industrial Development Agency
Attn: Ms. Lisa M.G. Mulligan, Chief Executive Officer
1 Independence Hill, 2nd Floor
Farmingville, New York 11738

Re: Expressway Drive North Warehouse Buildings
(100' West of Sills Road, North Side of SR459, North Service Road, Yaphank, New York)

Dear Ms. Mulligan:

Please find enclosed WF Industrial XII LLC's (the "Applicant") application for Town of Brookhaven Industrial Development Agency benefits for its intended development at the vacant parcel 100' West of Sills Road, North Side of SR459, North Service Road, Yaphank, New York (the "Property").

Applicant is an affiliate of Wildflower Ltd LLC ("Wildflower"). Wildflower is a New York-based developer of industrial warehouses, film studios and self-storage facilities in the New York metropolitan area. Wildflower has a 21-year track record of successfully developing institutional quality real estate. Wildflower is a vertically integrated firm with expertise in the full spectrum of acquisitions, development, construction, leasing, asset management and financing of its projects. Wildflower enjoys long-standing relationships with top-tier lending institutions, capital partners and tenants, and is committed to improving the built environment and communities in which it develops.

Wildflower and its related entities purchased the Property in December 2021, and intends to develop same into a three (3) building warehouse campus consisting of approximately 549,942 total square feet of buildings with truck docks, vehicle parking, landscaping, pavement, storm drainage, utilities, and other site improvements. The Property directly fronts the Long Island Expressway North Service Road and is currently underutilized as a vacant, undeveloped parcel of land. The proposed use as a thoughtfully designed warehouse campus meets the critical needs of the community, as warehouse space in Suffolk County is over 96% occupied and the average industrial inventory does not meet modern users' specifications. Wildflower is confident that the intended use of the Property will create jobs for the local community and improve the local tax base.

As you already know, construction materials and labor costs, as well as the cost for undeveloped land in Long Island, have increased dramatically over the past two years due to the COVID-19 pandemic. These costs, coupled with Suffolk County's burdensome real estate taxes, require Wildflower to market the project at lease rates that are significantly higher than the current market rates. To remain competitive with existing industrial buildings in the market and to ensure the project is financially viable, we respectfully request the IDA's assistance with benefits relating to real estate taxes, mortgage recording taxes, and sales & use taxes for the Property.

We look forward to visiting with the IDA Board of Directors to review the project together and answer any questions you may have. Thank you in advance for your time and consideration.

Respectfully,


Adam V. Gordon, Managing Partner

Cc: Daniel J. Baker, Esq. (via email)
George W. Peters, Esq. (via email)

WF INDUSTRIAL XIII LLC

c/o Wildflower Ltd. LLC
80 EIGHTH AVENUE, SUITE 1602
NEW YORK, NY 10011
www.wildflowerltd.com

May 24, 2022

Town of Brookhaven Industrial Development Agency
Attn: Ms. Lisa M.G. Mulligan, Chief Executive Officer
1 Independence Hill, 2nd Floor
Farmingville, New York 11738

Re: National Boulevard Warehouse Building (645 National Boulevard, Medford, New York 11763)

Dear Ms. Mulligan:

Please find enclosed WF Industrial XIII LLC's (the "Applicant") application for Town of Brookhaven Industrial Development Agency (the "IDA") benefits for its intended development at 645 National Boulevard, Medford, New York 11763 (the "Property"). Applicant is an affiliate of Wildflower Ltd LLC ("Wildflower"). Wildflower is a New York-based developer of industrial warehouses, film studios and self-storage facilities in the New York metropolitan area. Wildflower has a 21-year track record of successfully developing institutional quality real estate. Wildflower is a vertically integrated firm, with expertise in the full spectrum of acquisitions, development, construction, leasing, asset management and financing of its projects. Wildflower enjoys long-standing relationships with top-tier lending institutions, capital partners and tenants, and is committed to improving the built environment and communities in which it develops.

Wildflower and its related entities purchased the Property in August 2021, and intends to develop same into a 129,237 sq. ft., one-story warehouse building with truck docks, vehicle parking, landscaping, pavement, storm drainage, utilities, and other site improvements. The site is located in an established industrial subdivision with excellent access to major truck routes via a signalized intersection on E Patchogue Yaphank / Sills Road. The proposed modern warehouse will meet the critical needs of the community, as warehouse space in Suffolk County is over 96% occupied and the average industrial inventory does not meet modern users' specifications. Wildflower is confident that the intended use of the Property will create jobs for the local community and improve the local tax base.

As you already know, construction materials and labor costs, as well as the cost for undeveloped land in Long Island, have increased dramatically over the past two years due to the COVID-19 pandemic. These costs, coupled with Suffolk County's burdensome real estate taxes, require Wildflower to market the project at lease rates that are significantly higher than the current market rates. To remain competitive with existing industrial buildings in the market and to ensure the project is financially viable, we respectfully request the IDA's assistance with benefits relating to real estate taxes, mortgage recording taxes and sales & use taxes for the Property.

We look forward to visiting with the IDA Board of Directors to review the project together and answer any questions you may have. Thank you in advance for your time and consideration.

Respectfully,



Adam I Gordon, Managing Partner

cc: Daniel J. Baker, Esq. (via email)
George W. Peters, Esq. (via email)



Lisa M. G. Mulligan, Chief Executive Officer

New York State Local Public Authority Mission Statement and Measurement Report **January 2020**

Local Public Authority Name: Town of Brookhaven Industrial Development Agency

Fiscal Year: January 2020 – December 31, 2020

Enabling Legislation (enables Local Public Authority Mission Statement): Industrial development agencies (“IDAs”) are formed under Article 18-A of New York State General Municipal Law, as public benefit corporations. IDAs were created to actively promote, encourage, attract and develop job and recreational opportunities and economically-sound commerce and industry in cities, towns, villages and counties throughout New York State (the “State”). IDAs are empowered to provide financial assistance to private entities through tax incentives in order to promote the economic welfare, prosperity and recreational opportunities for residents of a municipality (“Benefited Municipality”).

Mission Statement: The Mission of the Town of Brookhaven Industrial Development Agency is to improve the quality of life for Brookhaven Town residents by promoting and assisting the growth of businesses that will increase employment opportunities, increase the commercial tax base, and are sensitive to the quality of the environment. To accomplish our mission, we will aggressively market to companies currently located within the Town, as well as those organizations external to the Town, utilizing the various incentives available to the IDA, specifically, sales tax and mortgage recording tax exemptions, real estate tax abatements, and the ability to issue lower cost tax-exempt and taxable bonds.

2020 Measurements:

1. Secure Capital Investment Commitments from new and existing IDA projects during 2020 of \$150 million
2. Secure Job Creation Commitments during 2020 of 500 jobs
3. Promote and market the IDA

As of December 31, 2020 there are 87 active projects with 5,280 full time jobs reported and 2,946 construction jobs created. This includes six (6) new projects which are expected to create and retain 271 new jobs and 455 construction jobs within the next two years.

Authority Stakeholder(s): Town of Brookhaven Town Council, and both Corporate and Individual residents of the Town of Brookhaven.

Authority self-evaluation of prior year performance (based upon established measurements): To Be provided by March 31, 2020 and related to 2019 performance.

Governance Certification:

1. Have the board members acknowledged that they have read and understand the mission of the public authority? Board of Directors Response: ____ Yes_____
2. Who has the power to appoint management of the public authority? Board of Directors Response: The Town of Brookhaven Industrial Development Agency Board of Directors
3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority. Board of Directors Response: _____ Yes_____
4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

Board of Directors Response: The role of the Board regarding the implementation of the public authority’s mission is to provide strategic input, guidance, oversight, mission authorization, policy setting and validation of the authority’s mission, measurements and results. The role of management is to collaborate with the board in strategy development / strategy authorization and to implement established programs, processes, activities and policies to achieve the public authority’s mission.

5. Has the Board acknowledged that they have read and understood the response to each of these questions? Board of Directors Response: _____ Yes_____

FISCAL & ECONOMIC IMPACT ANALYSIS

Expressway Drive North Warehouse Buildings Yaphank, NY

NPV No.02045

Prepared for:

WF Industrial XII, LLC
80 8th Avenue, Suite 1602
New York, NY 10011

Prepared by:



NELSON POPE VOORHIS

environmental • land use • planning

70 Maxess Road
Melville, NY 11747

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o: 631.427.5665 | cvoorhis@nelsonpopevoorhis.com

May 16, 2022

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ATTACHMENTS

A NPV Qualifications

EXECUTIVE SUMMARY

This analysis examines the economic and fiscal impacts that are anticipated to occur through the construction and annual operations of three single-story warehouse buildings, known as Expressway Drive North Warehouse Buildings. The analysis is submitted in support of Brookhaven Industrial Development Agency (IDA) tax deferral which supports the financial viability of the project and serves Town goals in terms of project need as well as construction/operation employment, and projected tax revenue. The report includes demographic information, land use plan review, need for the project, economic (job creation) and fiscal (tax revenue) impact analysis. The report serves as a "feasibility study" for IDA review and reliance in considering tax assistance to facilitate the construction and operation of the project as described herein, and to summarize the resulting economic/fiscal benefits.

The subject site is approximately 71 acres in size and is located on the North Service Road (Express Drive North) of the Long Island Expressway (LIE), approximately 100 feet west of Sills Road in the **hamlet of Yaphank, Town of Brookhaven**, Suffolk County, New York. The property is bounded by privately-owned vacant land to the west, town-owned vacant land to the north and east, and the Long Island Expressway to the south. Beyond the town-owned property to the east and fronting on Sills Road are residential homes, a gas station, and a farm stand. The subject property is currently vacant land.

The proposed project involves the construction of three single-story distribution warehouses, consisting of a total of 549,942 square-feet (sf) of space. The three buildings are proposed to be 203,548 sf, 176,670 sf, and 169,724 sf.

As economic stability returns following the coronavirus pandemic of 2020-22, the proposed project is expected to contribute to the long-term economic health of the community. The proposed project will create strong economic activity by providing jobs and a solid tax base as quantified in this report. The new warehouse development proposed will support local businesses in Yaphank and the surrounding areas, bringing increased patronage and spending power to the community. Consumer activity will ripple through the local community, creating beneficial economic and fiscal impacts throughout Yaphank, the Town of Brookhaven, Suffolk County, and the region as a whole. The proposed project will also create a short- and long-term economic benefit by providing increased revenue to taxing jurisdictions.

Economic impacts include direct impacts, as well as those indirect and induced impacts that are projected to occur – on output, employment and labor income – during both the 24-month construction period, and annually upon stabilized operations of the Expressway Drive North Warehouse Buildings. During **construction**, direct, indirect, and induced impacts of the proposed project is anticipated to result in **\$104,638,803 in total output, 362.4 jobs** (total FTE jobs), and **\$40,605,006 in labor income** (total wages). During **annual operations** following the proposed construction, direct, indirect, and induced impacts of the proposed project are projected to be

\$18,896,600 in output (total revenue), **235.9 jobs** (total FTE jobs), and **\$16,993,856** in labor income (total wages).

The Applicant will be applying to the Town of Brookhaven to participate in its PILOT program. Since the exact terms of the PILOT have not yet been negotiated, this study analyzes the projected fiscal impacts based on a stabilized year of operations and full taxation based on current assessments and projected revenues. This projection of tax revenues is useful in assisting with an understanding of existing and future taxes to help structure a PILOT agreement. Any tax deferral programs will delay and phase-in full taxation.

At full build-out and during annual operations, the proposed project is projected to generate significantly more tax revenue than the current conditions of the property. It is estimated that the proposed project will generate **\$1,907,714** in annual taxes under full taxation of the property, of which **\$1,349,293** is allocated to the **Longwood Central School District** with no increase in school-aged children or additional expenditures incurred by the district. The current taxes generated by the property are \$39,585 in annual taxes, of which \$27,998 is allocated to the school district.

In summary, the proposed project is beneficial to economic conditions in the hamlet of Yaphank, the Town of Brookhaven, Suffolk County, and the region, as a result of job creation (construction and operations), and increasing revenue to local taxing jurisdictions. Overall, the project is economically and socially beneficial as discussed in more detail in the full report.

1.0 INTRODUCTION AND PURPOSE

Nelson Pope Voorhis (NPV) has been requested to prepare a fiscal and economic impact summary for the proposed development of three single-story warehouse buildings, known as Expressway Drive North Warehouse Buildings, located in the hamlet of Yaphank, Town of Brookhaven, Suffolk County. This analysis examines the fiscal and economic impacts that are anticipated to occur through the construction and annual operations of the three buildings, which are proposed to be 203,548 square feet (sf), 176,670 sf, and 169,724 sf, resulting in a total of 549,942 sf of warehouse space. The site location is more specifically described as the north side of Long Island Expressway (I-495) North Service Road, approximately 100 feet west of Sills Road. The Suffolk County Tax Map (SCTM) number of the subject site is: 200-662-2-5.16.

NPV is a professional environmental and planning firm with qualifications and expertise to prepare fiscal and economic impact analyses, and has a track record of similar completed projects, as well as residential and commercial market analysis and related economic development services to private and municipal clients. The economic qualifications of the firm and personnel are provided in **Attachment A**.

As economic stability returns following the coronavirus pandemic of 2020-22, the proposed project is expected to contribute to the long-term economic health of the community. More specifically, the proposed project will advance the planning goals of the Town and will establish many new construction jobs and operational jobs that will help in the post-pandemic recovery. The proposed project will create strong economic activity by providing jobs and a solid tax base. Consumer activity will ripple through the local community, creating beneficial economic and fiscal impacts throughout the hamlet of Yaphank, the Town of Brookhaven, Suffolk County, and the region as a whole.

The following analysis examines and quantifies the fiscal and economic impacts that are anticipated to result from the proposed development. **Section 2.0** outlines the methodology and the sources of data used to project the fiscal and economic impacts generated in this analysis. **Section 3.0** examines and summarizes demographics and trends specific to the hamlet of Yaphank, the Town of Brookhaven and Suffolk County. **Section 4.0** analyzes relevant town and local planning documents specific to the Yaphank community and summarizes the proposed project's consistency with such reports.

Section 5.0 summarizes the existing fiscal conditions – including enrollment, budget, and current tax rates and levies for the Longwood Central School District. This section also summarizes the land use and tax base composition, detailed budgets and the current tax rates and levies for the Town of Brookhaven and Suffolk County. Moreover, this section summarizes the fiscal impacts that are anticipated to result from the proposed project. These include tax revenues that would

be allocated to each of the local taxing jurisdictions. This information is useful in understanding the future tax benefit and structuring a PILOT agreement.

In addition, Section 5.0 outlines the direct economic impacts, as well as those indirect and induced impacts that are estimated to occur – on output, employment and labor income – during both the 24-month construction period, and annually upon stabilized operations . These projections anticipate stabilization of the economy in post-pandemic conditions. A summary of these key economic findings is provided in **Table 1**.

TABLE 1
SUMMARY OF KEY ECONOMIC FINDINGS

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
<i>Economic Impacts during Construction</i>			
Direct Impact	\$69,903,240	183.1	\$27,961,296
Indirect Impact	\$15,530,442	68.8	\$5,718,079
Induced Impact	\$19,205,121	110.5	\$6,925,630
Total Impact	\$104,638,803	362.4	\$40,605,006
<i>Projected Economic Impacts during Operations</i>			
Direct Impact	\$8,249,130	180.5	\$13,284,262
Indirect Impact	\$2,728,039	12.6	\$842,878
Induced Impact	\$7,919,431	42.8	\$2,866,716
Total Impact	\$18,896,600	235.9	\$16,993,856

Source: Data provided by Wildflower Industrial XII, LLC.; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

The Applicant will be applying to the Town of Brookhaven to participate in its PILOT program. Since the exact terms of the PILOT have not yet been negotiated, this study analyzes the projected fiscal impacts based on a stabilized year of operations and full taxation based on current assessments and projected revenues. This projection of tax revenues is useful in assisting with an understanding of existing and future taxes to help structure a PILOT agreement. Any tax deferral programs will delay and phase-in full taxation.

At full build-out and during annual operations, the proposed project is projected to generate significantly more tax revenue than the current conditions of the property. It is estimated that the proposed project will generate \$1,907,714 in annual taxes under full taxation of the property, of which \$1,349,293 would be allocated to the Longwood Central School District with no increase in school-aged children or increased expenditures incurred by the district. The current taxes generated by the property are \$39,585 in annual taxes, of which \$27,998 is allocated to the school district. The distribution of anticipated tax revenues is shown in **Table 2**.

TABLE 2
TAX REVENUE COMPARISON

Taxing Jurisdiction	Current Tax Revenue	Projected Tax Revenue	Tax Revenue Percent Distribution
Total School Taxes	\$29,433	\$1,418,420	74.4%
School District- Longwood CSD	\$27,998	\$1,349,293	70.7%
Library District- Longwood CSD	\$1,434	\$69,127	3.6%
Total County Taxes	\$4,361	\$210,175	11.0%
County of Suffolk	\$290	\$13,977	0.7%
County of Suffolk - Police	\$4,071	\$196,197	10.3%
Total Town Taxes	\$2,376	\$114,512	6.0%
Town - Town Wide Fund	\$566	\$27,268	1.4%
Highway - Town Wide Fund	\$154	\$7,403	0.4%
Town- Part Town Fund	\$183	\$8,831	0.5%
Highway- Part Town Fund/Snow Removal	\$1,473	\$71,009	3.7%
Other Taxes	\$3,416	\$164,607	8.6%
New York State MTA Tax	\$14	\$673	0.0%
Open Space Preservation	\$216	\$10,402	0.5%
Fire Districts - Yaphank	\$2,693	\$129,776	6.8%
Lighting Districts- Brookhaven	\$114	\$5,494	0.3%
Real Property Tax Law	\$293	\$14,106	0.7%
Out of County Tuition	\$66	\$3,177	0.2%
Suffolk County Community College Tax	\$20	\$980	0.1%
TOTAL: ALL TAXING JURISDICTIONS	\$39,585	\$1,907,714	100.0%

Source: Data provided by the Town of Brookhaven Assessor's Office; Analysis by Nelson, Pope & Voorhis, LLC.

Lastly, **Section 6.0** outlines the references and sources of information utilized in this analysis.

2.0 METHODOLOGY

Various data and information from federal, state, local, and commercial data sources was used to analyze the existing conditions and projected fiscal and economic impacts stemming from the construction and annual operation of the proposed Expressway Drive North Warehouse Buildings.

WF Industrial XII, LLC supplied information regarding the project, construction costs and construction schedule, estimated rental rates, and employment and employee salaries during annual operations of the proposed project.

Longwood Central School District (CSD) provided data pertaining to the district budget, enrollment trends and per-pupil education costs.

The Town of Brookhaven and Suffolk County provided information regarding approved budgets and current tax rates for the parcels that comprise the subject property. This tax information was used to compare the existing revenues to those that are projected to be generated upon the full build-out of the proposed project.

The Office of the New York State Comptroller provided data pertaining to the annual district budget for the Longwood Central School District.

New York State Education Department provides District Report Cards and the Fiscal Accountability Summary reports specific to the Longwood CSD.

New York State Office of Real Property Services provides data pertaining to the existing tax base and tax revenues for the Town of Brookhaven. This information was used to better understand how local budgets and taxing jurisdictions will be affected by the proposed project.

United States Bureau of Labor Statistics and New York State Department of Labor publish the Occupational Employment Statistics survey. This survey was used to estimate the wages earned among those employed within "construction and extraction" occupations in the Long Island labor market. These wages were assumed for each of the workers responsible for the construction of the proposed project.

United States Census Bureau provides pertinent demographic data for the hamlet of Yaphank, Town of Brookhaven, Suffolk County.

Environmental Systems Research Institute, Inc. (ESRI) generated on-demand demographic reports specific to hamlet of Yaphank, the Town of Brookhaven and Suffolk County through their *Business Analyst Online* program. Specifically, data was collected for 2000 Census, 2010 Census

and 2021 estimates for population and housing characteristics, as well as five-year population projections and housing (2026) for the Yaphank hamlet, Town of Brookhaven and Suffolk County. All estimates and projections provided by ESRI draw upon data from sources including the Current Population Survey, American Community Survey, Census of Retail Trade (all via the United States Census Bureau), Consumer Expenditure Survey (via the United States Bureau of Labor Statistics), United States Postal Service, Internal Revenue Service, National Bureau of Economic Research, and other commercial and federal data sources.

IMPLAN (formerly known as the Minnesota IMPLAN Group) developed an economic impact modeling system called IMPLAN, short for “impact analysis for planning.” The program was developed in the 1970s through the United States Department of Agriculture’s Forest Service, and was privatized in 1993.

IMPLAN is built on a mathematical input-output (I-O) model to express relationships between various sectors of the economy in a specific geographic location. The I-O model assumes fixed relationships between producers and their suppliers based on demand, and the inter-industry relationships within a region largely determine how that economy will respond to change. In an I-O model, the increase in demand for a certain product or service causes a multiplier effect; increased demand for a product affects the producer of the product, the producer’s employees, the producer’s suppliers, the supplier’s employees, and so on, ultimately generating a total impact in the economy that is greater than the initial change in demand.

The IMPLAN model is a method for estimating local economic multipliers, including those pertaining to production, value-added, employment, wage and supplier data. IMPLAN differentiates in its software and data sets between 546 sectors that are recognized by the United States Department of Commerce. Multipliers are available for all states, counties and zip codes, and are derived from production, employment and trade data from sources including the United States Census Bureau, County Business Patterns, Annual Survey of Government Employment, Annual Survey of Retail Trade; United States Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Consumer Expenditure Survey; United States Department of Labor; Office of Management and Budget; United States Department of Commerce; Internal Revenue Service; United States Department of Agriculture, National Agricultural Statistical Service; Federal Procurement Data Center; and United States Bureau of Economic Analysis, Regional Economic Information System, Survey of Current Business, among other national, regional, state and local data sources.

IMPLAN is widely accepted as the industry standard for estimating how much a one-time or sustained increase in economic activity in a particular region will be supplied by industries located in the region. Federal government agencies such as the Army Corps of Engineers, Bureau of Economic Analysis, Bureau of Land Management, Environmental Protection Agency, Federal Reserve Bank, Fish and Wildlife Service, and National Park Service have used the multipliers to

study the local impact of government regulation on specific industries and to assess the local economic impacts of Federal actions. State and local governments including New York State Department of Labor, New York State Division of the Budget, New York State Office of the State Comptroller, New York State Assembly and New York City Economic Development Corporation, have used the multipliers to estimate the regional economic impacts of government policies and projects and of events, such as the location of new businesses within their state, or to assess the impacts of tourism. Likewise, businesses, universities and private consultants have used the multipliers to estimate the economic impacts of a wide range of projects, such as building a new sports facility or expanding an airport; of natural disasters; of student spending; or of special events, such as national political conventions.

NPV personnel have received formal IMPLAN training through IMPLAN, and possess the qualifications to project economic impacts for a multitude of project types using this software. For the purpose of this analysis, multipliers specific to socio-economic data in Suffolk County's "Construction of new commercial structures" industry were analyzed to determine the direct, indirect and induced economic impacts during the construction period of the proposed project. Moreover, multipliers specific to socio-economic data in Suffolk County's "Warehousing and storage," industry was analyzed to determine the direct, indirect and induced economic impacts during the annual operations. A summary of these economic impacts can be found in **Section 5.0** of this analysis.

3.0 DEMOGRAPHICS AND LOCAL TRENDS

As noted in **Section 1.0**, this section examines demographics and socioeconomic characteristics, as well as trends specific to the Yaphank community, the Town of Brookhaven and Suffolk County. In addition, this section summarizes national and local trends among the warehousing market.

3.1 Demographics

Population

Trends in the residential population and in the number of households were examined for the hamlet of Yaphank, the Town of Brookhaven and Suffolk County. An analysis of past data, coupled with current estimates and projections, illustrate the changing needs of the community.

According to ESRI Community Profile Reports, and as seen in **Table 3** and **Chart 1**, the population within Yaphank increased significantly between 2000 and 2010, by over 23% to 5,945 residents.¹ The population within Yaphank has continued to grow, but at a slower rate, through 2021 and is projected to continue growing through 2026. The Town of Brookhaven also witnessed population growth between 2000 to 2010, although at slower rates than Yaphank. The population of Brookhaven is estimated to have experienced a slight increase of 0.23% according to 2021 estimates, and is projected experience a slight decline by 2026 to approximately 482,958 residents. Suffolk County population was the greatest in 2010 and projections indicate a small decline will occur through 2026 (from 1,492,708 to 1,479,167 persons as compared to 2021 estimates).

It is important to note that population projection does not account for specific developments currently in the planning or approval process. Moreover, while such factors are examined at the local level, projections are not based solely upon specific build-out scenarios or land use analyses. Rather, the projections are based upon historical trends and current estimates at the county level, a time series of county-to-county migration data, a historical analysis of residential building permit data and residential postal delivery counts. Such data is supplemented with available information generated by nationwide databases, statistics providers and demographic and spatial analysis tools.

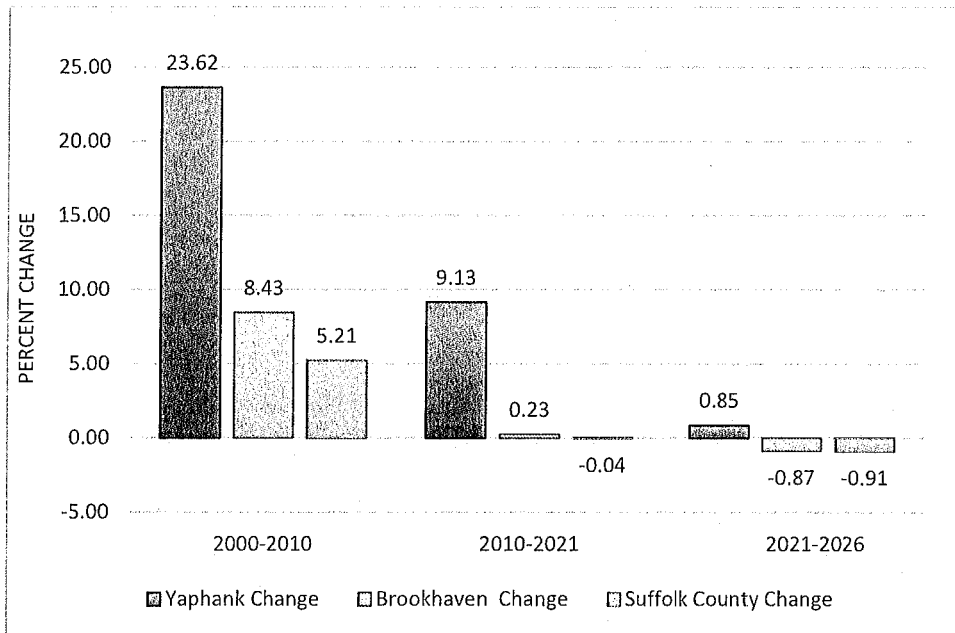
¹ ESRI, Community Profile Report. All reports accessed via ESRI Business Analyst Online, April 2022.

**TABLE 3
 POPULATION TRENDS**

Year	Yaphank	Town of Brookhaven	Suffolk County
2000	4,809	448,245	1,419,369
2010	5,945	486,040	1,493,250
2021 (Estimate)	6,488	487,182	1,492,708
2026 (Projection)	6,543	482,958	1,479,167

Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

**CHART 1
 PERCENT CHANGE IN POPULATION**



Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

Housing Units

The number of housing units within each geographic area has witnessed an increase in each of the time periods analyzed since 2000 as seen in **Table 4** and **Chart 2**. The increase in housing units was greatest between 2000 and 2010 when the increases in population were also the greatest. The 2026 projections for number of housing units are 2,293 units, 181,430 units, and 590,806 units in Yaphank, Brookhaven, and Suffolk County, respectively.²

² ESRI, Community Profile Report. All reports accessed via ESRI Business Analyst Online, April 2022.

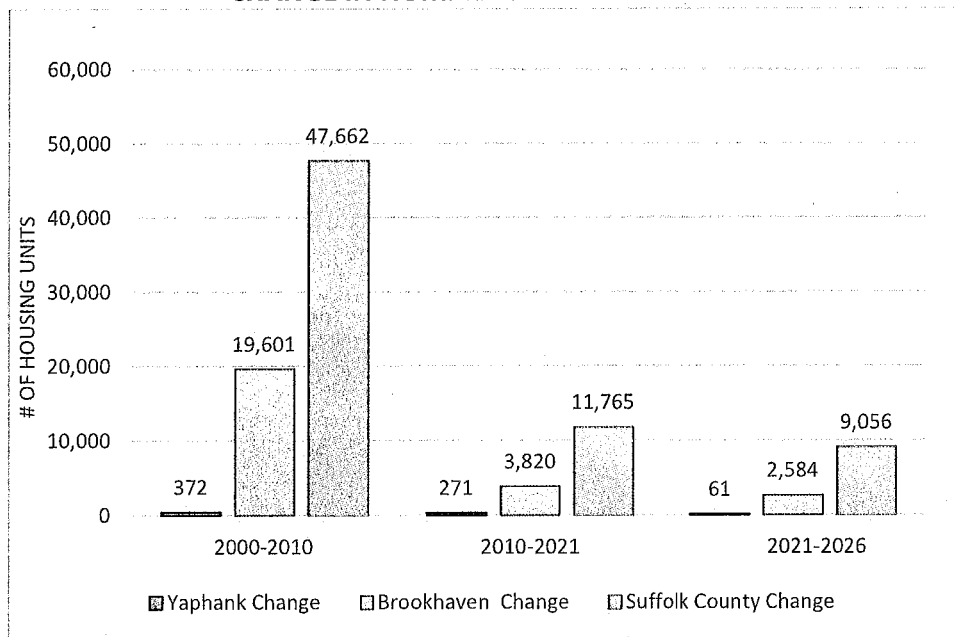
Housing unit projection does not account for specific developments currently in the planning or approval process. Moreover, while such factors are examined at the local level, projections are not based solely upon specific build-out scenarios or land use analyses. Rather, the projections are based upon historical trends and current estimates at the county level, a time series of county-to-county migration data, and historical analysis of residential building permit data.

TABLE 4
HOUSING UNIT TRENDS

Year	Yaphank	Town of Brookhaven	Suffolk County
2000	1,589	155,425	522,323
2010	1,961	175,026	569,985
2021 (Estimate)	2,232	178,846	581,750
2026 (Projection)	2,293	181,430	590,806

Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

CHART 2
CHANGE IN NUMBER OF HOUSING UNITS



Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

As seen in **Table 5**, the average household size in 2021 in Yaphank was 2.64 persons.³ This is slightly lower than the average household size of that in the Town of Brookhaven at 2.88 persons

³ ESRI, Community Profile Report. All reports accessed via ESRI Business Analyst Online, April 2022.

per household and Suffolk County at 2.92 persons per household.

TABLE 5
AVERAGE HOUSEHOLD SIZE: 2021

Geographic Area	Household Size
Yaphank	2.64
Town of Brookhaven	2.88
Suffolk County	2.92

Source: United States Bureau of the Census; Analysis by Nelson, Pope & Voorhis, LLC.

Tenure

As seen in **Table 6**, the majority of the housing units in each geographic location are owner-occupied. The percentage of renter-occupied housing units in each geographic area are fairly similar (16.5% in Suffolk, 17.97% in Brookhaven and 18.6% in Yaphank). Yaphank has lower vacancy rates (5.5%) compared to the Town (8.2%) and County (13.8%).

TABLE 6
HOUSING TENURE: 2021 (ESTIMATE)

Housing Type	Yaphank	Town of Brookhaven	Suffolk County
Total Housing Units	2,232	178,846	581,750
Owner-Occupied	75.9%	73.9%	69.7%
Renter-Occupied	18.6%	17.9%	16.5%
Vacant Housing Units	5.5%	8.2%	13.8%

Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

Income

Household income serves as a primary measure in determining affordability among various housing options within a given community. As seen in **Table 7**, the median household incomes in Yaphank, the Town of Brookhaven, and Suffolk County are fairly similar and all slightly over \$100,000.⁴

TABLE 7
MEDIAN HOUSEHOLD INCOME: 2021

Geographic Area	Household Income
Yaphank	\$106,314
Town of Brookhaven	\$102,497
Suffolk County	\$106,692

Source: ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

⁴ ESRI, Community Profile Report. All reports accessed via ESRI Business Analyst Online, April 2022.

3.2 Warehousing Trends

Current and projected local, regional and national warehousing space conditions are an important component to understanding the market for new distribution warehouse space in the Town of Brookhaven. Many external economic forces are shaping the local conditions in the community, the Long Island region, and even nationally.

Warehousing space is becoming increasingly scarce throughout the country. It is estimated that the United States may need an additional one billion square feet of warehouse space by 2025, resulting from the recent increases in e-commerce sales.⁵ The trends observed nationally are also applicable to Long Island.

Demand for industrial space on Long Island is increasing and outpacing the existing supply. The inventory of available industrial space on Long Island has shrunk to a historic low, with an overall vacancy rate of only 3.5% in 2021, compared to a vacancy rate of 4.8% in 2020.⁶ The need for additional warehousing space was exacerbated by the success of e-commerce businesses and the need for delivery services during and continuing throughout the coronavirus pandemic. While the pandemic contributed to the increased need, these trends are anticipated to continue after the pandemic subsides, resulting in a long term need for additional warehousing space.⁷

Warehousing space is necessary for the operations businesses of all sizes in order to track inventory, centralize products, ensure safe storage of items, and fulfill orders. The proposed project will provide additional warehousing space, which is beneficial to local businesses in the hamlet of Yaphank, Town of Brookhaven, as well as to the community in general as these businesses are able to operate successfully and provide job opportunities both during construction and operations.

⁵ CNBC. "U.S. may need another 1 billion square feet of warehouse space by 2025 as e-commerce booms" July 9, 2020. <https://www.cnbc.com/2020/07/09/us-may-need-another-1-billion-square-feet-of-warehouse-space-by-2025.html>

⁶ Business Insider. "Spaced Out" August 13, 2021. <https://libn.com/2021/08/13/spaced-out-2/>

⁷ CNBC. "U.S. may need another 1 billion square feet of warehouse space by 2025 as e-commerce booms" July 9, 2020. <https://www.cnbc.com/2020/07/09/us-may-need-another-1-billion-square-feet-of-warehouse-space-by-2025.html>

4.0 CONSISTENCY WITH EXISTING COMPREHENSIVE PLANNING DOCUMENTS

As noted in **Section 1.0**, this section analyzes relevant town and local planning documents specific to the community and summarizes the proposed project's consistency with such reports. This includes the Town of Brookhaven Zoning Code and Town of Brookhaven Comprehensive Land Use Plan (1996).

Town of Brookhaven Zoning Code

According to the Town of Brookhaven adopted zoning map, the property of the proposed Expressway Drive North Warehouse Buildings is located within the Light Industry (L1) zoning district. Warehouses are defined as buildings used primarily for the storage of goods and materials, with limited trucking activity, and may include an office. Warehouses are a permitted use within the L1 zoning district.

The property is located within a hydrogeologic sensitive zone, which results in stricter dimensional requirements, such as a required minimum lot size of 120,000 square feet when typically, only 40,000 square feet is required in the L1. In addition, a greater roadway frontage (200') is required for parcels within a hydrogeologic sensitive zone (otherwise 100') and the maximum permitted FAR is 30%, compared to 35% for parcels outside of the hydrogeologic sensitive zone.

The property is located within the Pine Barrens Compatible Growth Area (CGA). Per the Town of Brookhaven Incentive Zoning Overlay District, the L1 zoning district is designated as a receiving district, where Pine Barrens credits can be redeemed, indicating that this is a location suitable for development.

The proposed project complies with the intent of the Town of Brookhaven Zoning Code since warehousing is a permitted use within the L1 district and complies with dimensional regulations. The proposed distribution warehouse facility is compatible with the environmental considerations of the property since the proposed use has relatively low water demand and sanitary flow.

Town of Brookhaven Comprehensive Land Use Plan (1996)

The *Town of Brookhaven Comprehensive Land Use Plan (1996 Comprehensive Plan)* sets several general goals, identifies environmental resources, discusses existing land uses, provides broad policies and recommendations, and includes a land use map. The land use map recommends future land uses and development patterns for the Town and depicts the subject property as an industrial use. Industrial uses, as defined by the Plan, include manufacturing, warehouses, concrete producers, corporate offices, and related uses.

Many of the industrial zoned properties within the Town are also located within the Pine Barrens Compatible Growth Area (CGA), including the subject property. As stated in the Land Use Plan, "the Central Pine Barrens is a valuable ecosystem located in the eastern half of Brookhaven Town which lies over a predominantly pristine portion of a deep-recharge aquifer known as Hydrogeologic Zone III. The area also has one of the highest concentrations of rare, endangered and threatened wildlife and plant species to be found anywhere in the State of New York and perhaps the northeast." The implementation of the Central Pine Barrens Comprehensive Land Use Plan resulted in the creation of a transfer of development rights program where credits are transferred out of the Pine Barrens Core Preservation Area into the Compatible Growth Area.

Many types of land uses are permitted in the Compatible Growth Area as determined by the underlying zoning district. However, the Land Use Plan emphasizes the importance of maintaining industrial zoning in the Compatible Growth Area as a source of tax revenue, especially since it will not increase the expenditures of the local school districts.

Overall, the proposed project complies with the intent and advances the recommendations provided in the *Town of Brookhaven Comprehensive Land Use Plan* as the Expressway Drive North Warehouse Buildings are consistent with the recommended future land use of the property and Pine Barrens Compatible Growth Area, while providing beneficial tax revenues.

5.0 SUMMARY OF FISCAL & ECONOMIC IMPACTS

As noted in **Section 1.0**, this analysis summarizes the existing fiscal conditions and the projected economic and fiscal impacts that are associated with the the construction and annual operations of the proposed three single-story warehouse buildings, totaling 549,942 sf of warehouse space. Fiscal impacts include the generation of tax revenues and their anticipated distribution among local taxing jurisdictions. Economic impacts include direct, indirect and induced benefits on output, employment and associated labor income during the 24-month construction phase and annually upon stabilized operations of the proposed project.

As economic stability returns following the coronavirus pandemic of 2020-22, the proposed project is expected to contribute to the long-term economic health of the community. The proposed project will also create a short- and long-term economic benefit by providing revenue to taxing jurisdictions. Moreover, the proposed project will generate immediate construction jobs. Such fiscal and economic benefits are most crucial for the economic well-being throughout the town of Brookhaven, the greater Long Island region and New York State.

A summary of findings is provided herein, with detailed methodologies and references provided throughout this analysis. This analysis was prepared using methods, data and information that are considered to be industry standard for such fiscal and economic impact analyses.

5.1 Definition of Economic Impacts

A *direct impact* arises from the first round of buying and selling and includes the production of changes and expenditures made as a result of the proposed action. These direct impacts can be used to identify additional rounds of buying and selling for other sectors of the economy and to identify the impact of spending by local households. An indirect impact refers to the increase in sales of other industry sectors stemming from business-to-business purchases in the supply chain due to the initial input purchases, which include further round-by-round sales. An induced impact accounts for the changes in household spending resulting from the labor income generated by the employees of the proposed action during construction and operations, resulting from direct and indirect impacts. The total impact is the sum of the direct, indirect and induced impacts.

5.2 Key Findings

5.2.1 Existing Conditions

- According to the U.S. Census Bureau American Community Survey Five-Year Estimates and as noted in **Section 3.0**, in 2021 there were estimated to be approximately 6,488 persons residing within 2,232 housing units in the hamlet of Yaphank. Additionally, in 2021, there were approximately 487,182 persons residing within 178,846 housing units in the Town of Brookhaven and approximately 1,492,708 persons residing in 581,750 housing units in Suffolk County in 2021.⁸
- The proposed project is located within the boundaries of the Longwood CSD.
- Most assessed parcels in the Town of Brookhaven are residential properties, comprising 74% of the total number of parcels and 46.9% of the Town's tax base.
- The Town of Brookhaven adopted a balanced operating budget for the 2021-22 fiscal year of \$135.1 million, compared to an operating budget of \$130.3 million for the 2020-21 fiscal year.⁹
- Suffolk County adopted a 2022 operating budget of over \$4.738 billion in revenues and \$4.018 in expenditures.¹⁰
- Prior to the coronavirus pandemic of 2020-22, unemployment had been decreasing substantially since its peak in 2010-2012. Unemployment in the Town, County, Long Island and New York State increased significantly in 2020; but started to decline in 2021 and has continued to decline into 2022. As of February 2022, approximately 9,400 persons – 3.7% of the Town's labor force – were unemployed. While it is important to note that this data has not been seasonally adjusted, the February 2022 unemployment rate for the Town was equal to Long Island's unemployment rate (3.7% of the labor force)

⁸ ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, April 2022.

⁹ Town of Brookhaven, "2022 Adopted Operating Budget."

¹⁰ Suffolk County, "2022 Operating Budget, Volume 1."

and marginally lower than Suffolk County's unemployment rate (approximately 30,000 person or 3.9% of Long Island's labor force). However, the Town, County, and Long Island unemployment rates are all lower than New York State's overall unemployment rate of 5.1% (477,100 persons).

- The project site is currently taxed at a total rate of 416.689 per \$100 of assessed valuation. This translates into a current generation of \$39,585 in property tax revenues.¹¹ The existing distribution of tax revenues is shown in **Table 8**.

**TABLE 8
 EXISTING TAX REVENUES**

Taxing Jurisdiction	Current Tax Rate (per \$100 Assessed Valuation)	Current Tax Revenue	Percent of Total Tax Revenue
Total School Taxes	309.816	\$29,433	74.4%
School District- Longwood CSD	294.717	\$27,998	70.7%
Library District- Longwood CSD	15.099	\$1,434	3.6%
Total County Taxes	45.907	\$4,361	11.0%
County of Suffolk	3.053	\$290	0.7%
County of Suffolk - Police	42.854	\$4,071	10.3%
Total Town Taxes	25.012	\$2,376	6.0%
Town - Town Wide Fund	5.956	\$566	1.4%
Highway - Town Wide Fund	1.617	\$154	0.4%
Town- Part Town Fund	1.929	\$183	0.5%
Highway- Part Town Fund/Snow Removal	15.51	\$1,473	3.7%
Other Taxes	35.954	\$3,416	8.6%
New York State MTA Tax	0.147	\$14	0.0%
Open Space Preservation	2.272	\$216	0.5%
Fire Districts - Yaphank	28.346	\$2,693	6.8%
Lighting Districts- Brookhaven	1.2	\$114	0.3%
Real Property Tax Law	3.081	\$293	0.7%
Out of County Tuition	0.694	\$66	0.2%
Suffolk County Community College Tax	0.214	\$20	0.1%
TOTAL: ALL TAXING JURISDICTIONS	416.689	\$39,585	100.0%

Source: Town of Brookhaven Assessor's Office; Analysis by Nelson, Pope & Voorhis, LLC.

¹¹ Town of Brookhaven Assessor's Office.

5.2.2 Economic Impacts of Construction

A detailed analysis of direct, indirect and induced impacts generated during the 24-month construction period is outlined below. It is important to note that each of these impacts are temporary and are projected to occur only while the proposed project is being constructed. As previously noted, these projections anticipate stabilization of the economy in post-pandemic conditions.

- For the purpose of this analysis, it is anticipated that construction of the proposed project will commence in December 2022, with the construction period anticipated to occur over a period of approximately 24 months.¹²
- The proposed project is projected to represent approximately \$69.9 million¹³ in construction costs over the 24-month construction period.¹⁴ This \$69.9 million in direct annual output is projected to generate an indirect impact of over \$15.5 million, and an induced impact of an additional \$19.2 million, bringing the total economic impact on output to over \$104.6 million during the 24-month construction period.¹⁵
- During the construction period, direct employment refers to the number of short-term jobs necessary to complete the construction of the proposed project. The construction period is anticipated to generate 183.1 FTE jobs, which are anticipated to last the entire duration of the 24-month construction period for the purpose of this analysis.
- Construction will also result in indirect impact of 68.8 FTE employees and an induced impact of 110.5 FTE employees in other industry sectors, bringing the total impact of the 24-month construction period to 362.4 FTE jobs.¹⁶ This job creation – direct, as well as indirect and induced – is most crucial during Long Island’s present economic state, and presents opportunities for persons who remain unemployed throughout the region. During the construction period, direct labor income refers to the annual earnings, wages, or salary paid to each of the workers responsible for the construction of the proposed project. Labor income typically comprises approximately 40% of the cost of industrial construction; the remaining portion represents the cost of materials.¹⁷

¹² Construction schedule provided by WF Industrial XII, LLC in March 2022.

¹³ For the purpose of this analysis, this figure and all other figures in the construction portion of this analysis reflect 2022 dollars, the year in which construction is assumed to commence.

¹⁴ Construction costs provided by WF Industrial XII, LLC in March 2022. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

¹⁵ According to IMPLAN, a multiplier of 1.579270 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand through the “Construction of new commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

¹⁶ According to IMPLAN, a multiplier of 9.690000 represents the total change in the number of jobs that occurs in all industries for each additional one million dollars of output delivered to final demand through the “Construction of new commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

¹⁷ Construction/renovations labor and materials estimates per architectural design group Nelson and Pope.

- Labor income is projected to total \$73,779 per year, per employee.¹⁸ When applied to the 24-month construction period, this represents approximately \$147,558 per employee, and over \$27.9 million in collective earnings among the 183.1 FTE employees. This labor income is projected to have an indirect impact of \$5.7 million and an induced impact of \$6.9 million, bringing the total economic impact of the 24-month construction period to over \$40.6 million in labor income.¹⁹

A summary of key economic findings projected to occur during the 24-month construction period is provided in **Table 9**.

TABLE 9
SUMMARY OF KEY ECONOMIC FINDINGS
DURING 24-MONTH CONSTRUCTION PERIOD

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$69,903,240	183.1	\$27,961,296
Indirect Impact	\$15,530,442	68.8	\$5,718,079
Induced Impact	\$19,205,121	110.5	\$6,925,630
Total Impact	\$104,638,803	362.4	\$40,605,006

Source: Data provided by Wildflower Industrial XII, LLC.; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

¹⁸ New York State Department of Labor’s Occupational Employment Statistics survey reports a mean wage of \$71,630 among those employed within construction and extraction occupations in the Long Island labor market. Data was collected between November 2017 and May 2020, and then updated to the first quarter of 2021 by making cost-of-living adjustments. An additional annual inflation factor of three percent (3%) was applied to the average wage, to reflect wages at the commencement of the construction period – estimated to occur in 2022 for the purpose of this analysis.

¹⁹According to IMPLAN, a multiplier of 0.731501 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand through the “Construction of new commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

5.2.3 Economic Impacts of Annual Operations

A detailed analysis of direct, indirect and induced impacts generated annually during operations is outlined below. It is important to note that each of these benefits will be permanent and on-going and they are projected on an annual basis, assuming continued stabilized operations. These projections anticipate stabilization of the economy in post-pandemic conditions and fully utilized warehouses following construction.

- The analysis assumes that the operational phase of development will begin upon the completion of the 24-month construction period. For the purpose of this analysis, the first year of stabilized operations is assumed to occur in 2026 in the second full year of operations.
- Annual output will be generated in the form of monthly rental income from the warehouses, which is based on a rental rate of \$15 per square foot per year,²⁰ which totals approximately \$8.2 million per year.
- The annual operational revenues are projected to generate an indirect impact of over \$2.7 million and an induced impact of over \$7.9 million per year. This additional output is generated through round-by-round sales made at various merchants in other sectors of the regional economy. These include local retailers, insurance companies, banks, grocers, restaurants, financial institutions, health and legal services providers, and other establishments in the region.
- The sum of the direct, indirect and induced impacts results in a total economic impact on output of over \$18.8 million during annual operations.²¹
- The proposed project is anticipated to generate a total of 180.5 FTE jobs during future annual operations, consisting of 170 full-time jobs and 21 part-time jobs.
- Operations will have an indirect impact of 12.6 FTE employees and an induced impact of 42.8 FTE employees in other industry sectors, bringing the total economic impact of employment to 235.9 FTE jobs during annual operations.²²
- The 180.5 FTE jobs will generate a total of \$13.2 million in employee salaries and benefits.²³ This represents the collective employee labor income during annual operations.

²⁰ Assumptions pertaining to monthly rental rates provided by WF Industrial XII, LLC in March 2022. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

²¹ According to IMPLAN, a multiplier of 1.734651 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by "Warehousing and storage" (IMPLAN Sector 422), in Suffolk County, New York.

²² According to IMPLAN, a multiplier of 12.730000 represents the total change in the number of jobs that occurs in all industries for each additional one million dollars of output delivered to final demand by "Warehousing and storage" (IMPLAN Sector 422), in Suffolk County, New York.

²³ Assumptions pertaining to the number of operations employees and salaries provided by WF Industrial XII, LLC, in May 2022. An additional multiplier of 1.145590036 was applied to the salaries to reflect the average fringe benefits among those employed within the "Warehousing and storage" (IMPLAN Sector 422), in Suffolk County, New York. It

- The \$13.2 million in labor income will have an indirect impact of \$842,878 and an induced impact of \$2.8 million, bringing the total economic impact of labor income to \$16.9 million during a stabilized year of annual operations.²⁴

A summary of key economic findings projected to occur during annual operations is provided in **Table 10**.

TABLE 10
SUMMARY OF KEY ECONOMIC FINDINGS DURING ANNUAL OPERATIONS

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$8,249,130	180.5	\$13,284,262
Indirect Impact	\$2,728,039	12.6	\$842,878
Induced Impact	\$7,919,431	42.8	\$2,866,716
Total Impact	\$18,896,600	235.9	\$16,993,856

Source: Data provided by Wildflower Industrial XII, LLC.; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

is important to note that all assumptions are estimates based upon market conditions as of the date of preparation of this analysis.

²⁴ According to IMPLAN, a multiplier 0.842701 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand by the "Warehousing and storage" (IMPLAN Sector 422), in Suffolk County, New York.

5.2.4 Anticipated Fiscal Impacts

- For taxing purposes, the total estimated market valuation of the proposed project is based upon an annual rental rate of \$15²⁵ per square foot, resulting in total rental revenues of \$8,249,130.
- After applying estimated loss from vacancies of 5%, as well as an estimated expense ratio of 20% for industrial uses, a capitalization rate of 0.1 and an equalization rate of 0.74%, the estimated assessed valuation of the industrial development upon full build-out and occupancy is approximately \$457,827. This is shown in **Table 11**.

TABLE 11
PROJECTED ASSESSED VALUATION

Parameter	Value
Gross Annual Rents	\$8,249,130
Estimated Loss from Vacancies	5%
Expense Ratio	20%
Net Income	\$6,186,848
Capitalization Rate	0.1
Estimated Market Value	\$61,868,475
Equalization Rate	0.74%
Projected Assessed Value	\$457,827

Source: Data provided by Wildflower Industrial XII, LLC.; Analysis by Nelson, Pope & Voorhis, LLC.

- Fiscal impacts are projected based on a stabilized year of operations and full taxation based on current assessments and projected revenues. It is noted that any tax deferral programs will delay and phase-in full taxation. The projection of tax revenues is useful in determining future taxation and in assisting with an understanding of existing and future taxes to help structure a PILOT agreement.
- It is important to note that the projected tax information provided in **Table 12** was derived from the current assessment factors and tax rates provided by the Town of Brookhaven. It is also important to note that all analyses are based on current tax dollars, and the revenue allotted among taxing jurisdictions will vary from year to year, depending on the annual tax rates, assessed valuation and equalization rates. Further, the final assessment and levy will be determined by the sole assessor at the time of occupancy. Projections included herein are as accurate as possible using fiscal impact methodologies, for the purpose of the planning and land use approval process.

²⁵ Annual rental rate per square foot provided by WF Industrial XII, LLC in March, 2022.

**TABLE 12
 ANTICIPATED TAX REVENUE GENERATION**

Taxing Jurisdiction	Current Tax Revenue	Projected Tax Revenue	Change in Tax Revenue
Total School Taxes	\$29,433	\$1,418,420	\$1,388,988
School Districts- Longwood CSD	\$27,998	\$1,349,293	\$1,321,295
Library Districts- Longwood CSD	\$1,434	\$69,127	\$67,693
Total County Taxes	\$4,361	\$210,175	\$205,813
County of Suffolk	\$290	\$13,977	\$13,687
County of Suffolk - Police	\$4,071	\$196,197	\$192,126
Total Town Taxes	\$2,376	\$114,512	\$112,135
Town - Town Wide Fund	\$566	\$27,268	\$26,702
Highway - Town Wide Fund	\$154	\$7,403	\$7,249
Town- Part Town Fund	\$183	\$8,831	\$8,648
Highway- Part Town Fund/Snow Removal	\$1,473	\$71,009	\$69,535
Other Taxes	\$3,416	\$164,607	\$161,191
New York State MTA Tax	\$14	\$673	\$659
Open Space Preservation	\$216	\$10,402	\$10,186
Fire Districts - Yaphank	\$2,693	\$129,776	\$127,083
Lighting Districts- Brookhaven	\$114	\$5,494	\$5,380
Real Property Tax Law	\$293	\$14,106	\$13,813
Out of County Tuition	\$66	\$3,177	\$3,111
Suffolk County Community College Tax	\$20	\$980	\$959
TOTAL: ALL TAXING JURISDICTIONS	\$39,585	\$1,907,714	\$1,868,128

The proposed project includes the development of a warehouse facility and therefore, will not generate additional students to the Longwood Central School District. The proposed project is anticipated to levy approximately \$1,418,420 in property tax revenues for the school district, without generating additional costs stemming from an increased student enrollment. This net revenue could ease the district's need to tap into additional fund balances and could also help alleviate an increased burden on other taxpayers throughout the district.

6.0 REFERENCES

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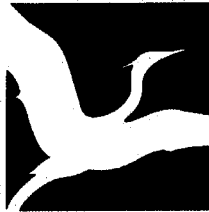
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ATTACHMENT A
Nelson, Pope & Voorhis, LLC
Economic Analysis Qualifications

**STATEMENT OF QUALIFICATIONS
ECONOMIC AND FISCAL IMPACT ANALYSIS**



NELSON POPE VOORHIS
environmental • land use • planning

**70 Maxess Road
Melville, NY 11747**
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o: 631.427.5665 | cvoorhis@nelsonpopevoorhis.com

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INTRODUCTION

Nelson, Pope & Voorhis, LLC (“Nelson Pope Voorhis” or “NPV”) is an environmental planning and consulting firm established in 1997 that serves governmental and private sector clients preparing creative solutions specialized in the area of complex environmental project management and land use planning/analysis. Our offices are strategically located in Melville, Long Island, NY and Suffern, NY in the Hudson River Valley. NPV consists of three divisions, created to better serve clients with high quality, innovative and responsive consulting services in all aspects of environmental planning. The three divisions are:

- **Environmental and Community Planning Division:** prepares comprehensive plans, long-term planning studies, corridor redevelopment studies, brownfield plans and comprehensive and strategic zoning amendments. The group is effective in the use of geographic information systems (GIS) mapping to evaluate issues and present baseline data. Effective community outreach strategies are developed and tailored for each project and the community in which the project is taking place. The group represents a number of planning boards in the region.
- **Phase I/II ESA and Remediation Division:** prepares Phase I/II Environmental Site Assessments with soil and groundwater sampling services, lead based paint, asbestos and radon inspection services, and all forms of environmental sampling. The division evaluates the implications of past and/or present contamination and property uses on future land uses.
- **Environmental Resource and Wetland Division:** conducts ecological assessment and planning, landscape and coastal restoration, wetland delineation and restoration, habitat assessment, conducts stormwater modeling and green infrastructure planning and implementation. This division assists clients through permitting and SEQRA processes.

The primary focus of the firm is to provide quality consulting services that meet the needs and goals of our clients while respecting the environment. We pride ourselves being extremely responsive to each client. Clients rely on NPV’s depth of experience and expertise to provide solutions to each unique project within budget and on schedule. Our clientele, some of whom we have represented for decades, recognize NPV’s capabilities and are secure in knowing that they receive quality professional services from project inception through completion. NPV’s multidisciplinary staff includes AICP-certified planners, economists, ecologists, hydrologists, certified environmental professionals, grants specialists, and GIS specialists.

As a local firm, NPV has significant expertise in performing both Economic and Fiscal Impact Analyses as well as Market Studies. We have served as a primary consultant to many private developers as well as municipalities and have established a solid track-record of completed projects and local government references throughout Long Island, with an emphasis on economic related projects.

NPV has the capabilities to provide the following services:

PHASE I/II ESA AND REMEDATION	COMMUNITY AND LAND PLANNING	ENVIRONMENTAL AND WETLAND ASSESSMENT
<p><u>ENVIRONMENTAL AUDITS</u> Phase I ESA & Due Diligence Investigations Phase II ESA Groundwater Investigations Soil Sampling, Boring and Classifications Soil Gas Surveys Monitoring Wells & Piezometers Tank Sampling Pesticide Sampling & Plans Soil Management Plans Remediation Brownfield/Voluntary Cleanup Plans RCRA Closures Superfund Sites Asbestos Surveys Influent/Effluent Sampling Lead Based Paint Surveys Subsurface Investigations Ground Penetrating Radar (GPR) Dewatering Services Pipe Camera Magnetometer Groundwater Monitoring Studies Flow Studies Water Supply Studies Nitrogen Load/TMDL Evaluation</p> <p><u>ENVIRONMENTAL ANALYSIS</u> NYS SEQRA/NYC CEQR Administration NEPA Analysis/Documentation EIS/EAF Preparation GEIS & Regional Impact Analysis Noise Monitoring & Assessment Air Impact Analysis Visual Assessment</p>	<p><u>ECONOMIC</u> Fiscal Impact Analysis Economic Impact Analysis IMPLAN and RIMS II Economic Impact Modeling School District/Community Service Impact Analysis Market Studies Niche Market Analysis Demographic Studies Economic Development Planning Business Retention & Expansion Strategies Downtown Revitalization IDA Financing Assistance</p> <p><u>PLANNING</u> Development of Feasibility Studies LEED Planning Public Outreach Meetings Demographic Analysis Municipal Review Services Planning & Zoning Analysis Build Out Analysis GIS Analysis Code Preparation & Review Downtown Revitalization Regional Planning & Land Use Plans Recreation Planning LWRP & Harbor Management Plans Grant Writing & Administration Public Outreach & Community Surveys Community Visioning District Mapping Spatial Analysis of Call Database Needs Assessment Demographic Analysis</p>	<p><u>STORMWATER MANAGEMENT</u> Stormwater Permitting Stormwater Pollution Prevention Plans (SWPPP) Erosion & Sediment Control Plans NYSDEC "Qualified Inspectors" for Construction Field Monitoring Stormwater Management Programs NYSDEC Annual Reports Construction Stormwater Field Monitoring Outfall & Infrastructure Inventory GIS Mapping & Analysis Stormwater BMP's Stormwater Management Planning Low Impact Design</p> <p><u>ECOLOGY & WETLANDS</u> Wetland Delineation and Permits Permit Plans Restoration/Mitigation Plans Ecological Studies and Surveys Endangered Species Surveys Pond Management Plans Invasive Species Control Water Quality Evaluation Habitat Management Watershed Management Plans Environmental Education /Outreach</p> <p><u>COASTAL & WATERFRONT MANAGEMENT</u> Waterfront Management Plans Waterfront Certifications Coastal Erosion Hazard Area FEMA Compliance Shoreline Restoration Planning Ecological Landscape Design</p>

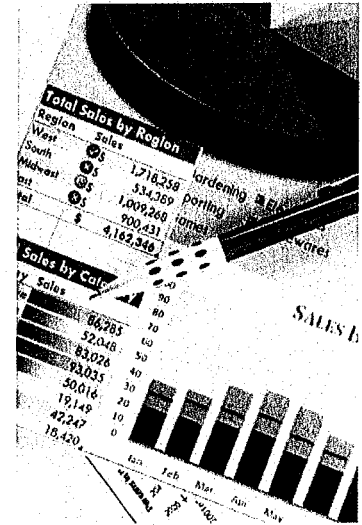
Economic and Fiscal Impact Analyses & Market Studies

NPV performs economic impact analyses and utilizes the software IMPLAN (a model that combines a set of extensive databases, economic factors, multipliers, and demographic statistics) to estimate short and long-term employment projections generated by a development. Economic impacts are determined by inputting the anticipated direct spending from construction and operations of each of the development through the IMPLAN model which may be calibrated to reflect local spending patterns. The IMPLAN model estimates the full-time job creation during construction and under operation — and the direct, indirect and induced economic benefits related to purchase of goods and services. Direct effects are the immediate result of the project

implementation. Indirect benefits stem from the purchase by local businesses/industries of goods and services from other local businesses/industries (also known as intermediate expenditures). Induced benefits reflect the spending of wages from residents (accounting for household purchases made by paid employees or from new residents in housing developments).

For fiscal impact analyses, NPV identifies project benefits and/or impacts in terms of tax revenue projections and demand for community services from various providers – including the ramifications of development on local school districts.

NPV prepares market studies to evaluate the need for a particular type of development, which include housing needs assessments, evaluation of retail gaps and surpluses, and niche market and branding studies.



KEY PERSONNEL

All NPV professionals are available to assist on an as-needed basis. Kathy Eiseman will serve as the project coordinator, working as the primary contact and assigning projects to the various professionals on the team. Specific individuals expected to provide services and their individual roles for Economic and Fiscal Impact Analyses initiatives are noted as follows:

Personnel	Qualifications, Project Role
Kathryn J. Eiseman AICPPartner	Project Oversight
Charles J. Voorhis, CEP, AICP Principal	Project Coordination
Taylor Garner Environmental Planner/GIS Manager	Project Coordination, Preparation of Reports
Valerie Monastra Principal Planner	Preparation of Reports

Nelson Pope Voorhis is managed by a select group of partners. Each provides specific expertise in the field of environmental planning, land use planning/analysis, remediation, engineering and land surveying that is unique within the industry. The diverse leadership of NPV couples the experience of our senior partners with the innovation and enthusiasm of our younger staff. Many of the team’s staff have advanced technical degrees and/or technical certifications. Such as LEED Accredited Professional (LEED AP), OSHA 40 Hour HAZWOPER, and American Institute of Certified Planners (AICP), etc.

Kathryn J. Eiseman, AICP, Partner is a Partner and Division Manager of the Environmental & Community Planning Division. She has over 20 years of planning experience in environmental planning and manages both private and public planning projects. Current projects include the Local Waterfront Revitalization Program for the Town of Islip and Brownfield Opportunity Area (BOA) for the Town of Riverhead BOA. Ms. Eiseman is the planner for the Villages of Southampton and Sag Harbor Planning Boards and directs her staff to perform site plan and subdivision reviews and advises the Board on a regular basis. She is skillful in managing complex projects and working with team members both in house and as subconsultants. Her staff is proficient in the use of GIS and design software for preparation of high-quality graphic products. Ms. Eiseman is experienced in the art of public participation and education and tailors her approach to the unique needs of each project community. She is an enthusiastic and creative planner who endeavors to bring a fresh approach to each project as well as to her position as Treasurer for the Long Island Section of the American Planning Association.

Charles Voorhis, CEP, AICP is Principal of NPV and has over 40 years of experience in environmental planning on Long Island and in the New York metropolitan area. Mr. Voorhis is a member of the American Institute of Certified Planners (AICP) and is a Certified Environmental Professional (CEP). He has a wealth of experience in managing large scale municipal projects including regional environmental planning, downtown revitalization and action planning, Generic Environmental Impact Statements, stormwater management, wetlands and coastal management, and municipal consulting. Mr. Voorhis and his firm serve as environmental planning consultants to many of New York Towns and Villages and are currently in the process of preparing several long-range planning initiatives for several Towns in Nassau and Suffolk Counties.

Taylor Garner is an environmental planner with an undergraduate degree in Environmental Science from Villanova University and a master's degree in Urban Planning with a concentration in Sustainability and the Environment from Hunter College. Ms. Garner has undergone the Formal training course in the IMPLAN Economic Modeling System IMPLAN. She oversees the preparation of market analyses and feasibility studies, niche market studies and branding plans, school district analyses, economic development strategies, as well as fiscal (projecting taxes and the impact to local jurisdictions) and economic (projecting job creating and associated revenues circulating throughout the economy) impact analyses for residential, commercial, office, industrial, recreational, hospitality, tourism and mixed-use developments. She has experience in analyzing demographic data and preparing grant applications. Ms. Garner has been involved with comprehensive plans, local waterfront revitalization plans, brownfield development, zoning plans, and public participation and community visioning processes. Ms. Garner is also experienced in the preparation and review of environmental assessment documents, including SEQRA and CEQR documents, and site plan review for the Villages of Southampton and Sag Harbor and the Town of Oyster Bay.

Valerie Monastra is an is an AICP Certified Environmental Planner with over 18 years of experience throughout the Hudson Valley in management and planning pertaining to land use development, zoning, environmental review, affordable housing and community development projects. Her educational and employment history encompass both urban and environmental planning as well as governmental administration. Ms. Monastra has experience providing planning services to New York State agencies including DOS, DEC, OPRHP and ESD and is expert in the SEQRA and NEPA processes. Ms. Monastra serves as the President of the Westchester Municipal Planning Federation. She has vast experience working on the local level with municipalities to complete plans and navigate projects through the land use approval process.

Detailed resumes can be provided upon request.

RELEVANT EXPERIENCE

The following list of projects have been selected to demonstrate the team's qualifications and capabilities.

City of New Rochelle Downtown Overlay Zone (DOZ) Zoning Amendments (New Rochelle, NY)

NPV prepared an economic and fiscal impact analysis for the proposed 2021 Amendments to the City of New Rochelle Downtown Overlay Zone (DOZ), located in the downtown area of New Rochelle, New York. The City is proposing updates to the Theoretical Development Scenario (TDS), which was originally evaluated as part of the 2015 Generic Environmental Impact Statement (GEIS). The GEIS was prepared to evaluate potential impacts that could result from the adoption of the DOZ. The 2021 TDS changes are proposed to address the shift in demand away from certain commercial uses and to provide for additional residential and live/work options, as well as retail and restaurant options designed to integrate the outdoors and new outdoor recreational opportunities into the DOZ. Additionally, the 2021 DOZ Amendments include the continuation of the DO Zones to the south and east to add a new "Waterfront Overlay District" ("DO-7 Zone") to allow for development on or near a newly created publicly accessible waterfront. Collectively, the 2021 DOZ Amendments (the "Proposed Action") are intended to continue the successful growth within the entire DOZ while re-balancing the potential development impacts of a revised TDS.

The analysis examines the economic and fiscal impacts that are anticipated to occur through the implementation, construction and annual operations of the revised TDS, intended to continue growth within various zoning districts within the City's downtown and waterfront.

Greybarn Sayville (Sayville, NY)

NPV has updated this fiscal and economic impact analysis for the Greybarn-Sayville Planned Development District (PDD) as part of the Draft Environmental Impact Statement (DEIS). The proposed project is on the site of a former Country Club, a 114.33-acre property in the hamlet of Sayville of the Town of Islip. The proposed project will include the development of 1,365 multi-family residential rental units, on-site stormwater and sanitary wastewater treatment systems, connections to the public water supply, recreational and commercial amenities (limited to the site's residents, and including small retail/commercial spaces, interior open spaces, outdoor pool/patio areas, and an internal walking trail network), and a 25±-acre public open space along the perimeter of the site, in which a pedestrian path is proposed. The proposed project also includes expanded wastewater treatment capabilities for wastewater from downtown Sayville, and installation of a sewer main from downtown Sayville to the on-site sewage treatment plant (STP).

The project responds to the public need for increased quality rental housing opportunities in the area. The proposed project has been designed using smart growth development principles, by incorporating features and characteristics including internal walkability, sense-of-place features, safe and convenient pedestrian access to on-site amenities (within the site and limited to use of the site's residents), and on-site recreational amenities for its residents. In addition, the proposed project will create strong economic activity by providing jobs and a solid tax base.

Concern for Independent Living (Southampton, NY)

NPV prepared a fiscal and economic impact summary to examine the fiscal and economic impacts that are anticipated to occur through the construction and annual operations of a proposed residential development with 60 workforce rental apartment units to be located on County Road 39 in the Village of Southampton. Due to the generally affluent nature of the south fork of Long Island, and many parts of Southampton in particular, the demand for workforce housing units in Southampton is strong, and there is documented need for this type of housing in the community. The proposed project responds to the Town's and community's desire to provide such rental housing opportunities in the area, as recognized in various comprehensive planning documents and evidenced by current conditions within the surrounding community.

There also remains an unmet demand for veteran housing, including housing for disabled veterans who may have a need for accessible housing and supportive services. The units will be comprised of 36 one-bedroom and 24 two-bedroom apartment units, and the proposed project will also include a 5,000 square foot (SF) community building with a gym, computer room, and community room for use by residents and staff, as well as service provision for the supportive housing units. All of the units will be designated as "affordable" units under the Town Code and will be occupied by households that meet applicable economic standards as administered by the Town. A portion of the units will be occupied by veterans, including disabled veterans and disabled veterans in need of support. The project will benefit the community by transforming an overgrown and littered site into attractive, high-quality workforce housing that will enhance the community. As economic stability returns following the coronavirus pandemic of 2020, the proposed project is expected to contribute to the long-term economic health of the community.

Superblock Long Beach (Long Beach, NY)

NPV prepared a Fiscal Impact Analysis and a Household Buying Power Analysis for a residential development in Long Beach, New York. This analysis will assist the developer in quantifying the fiscal impact that the new residential development will have on the local tax base, and the economic impact that new household spending will have on the local economy. Economic impact including construction and operational job creation was addressed in detail in the Economic Impact Summary Analysis prepared by NPV earlier in 2020. This analysis examines the fiscal impacts and the household spending that is anticipated to occur during annual operations of a new residential development including: 200 one- and two-bedroom condominiums; and, 238 market-rate and workforce studio, one- and two-bedroom rental units.

Prior to the coronavirus pandemic of 2020, the condominium market in Long Beach has been quite attractive, with a strong demand and a supply of such housing units proximate to the boardwalk, and/or with water views. The rental market has suffered from a dearth of new transit-oriented communities. The proposed residential development is responsive to this demand in Long Beach, and as economic stability returns, is expected to contribute to the long-term economic health of the community through the provision of such newly constructed luxury housing opportunities. The proposed residential development is expected to create strong economic activity by providing a solid tax base upon completion and full taxation of the project. The new residents living within the 200 condominiums and 238 rental units proposed for development will patronize downtown establishments, bringing significant new disposable income to the merchants in the community. Consumer activity will ripple through the local community, creating beneficial fiscal and economic impacts throughout Long Beach, Nassau County, and the region as a whole. Consequently, economic activity including job creation and

consumer buying power will be generated by the project.

Storage Deluxe (Valley Stream, NY)

NPV prepared a market feasibility, fiscal and economic impact summary analysis for a commercial storage facility in Valley Stream, New York. This analysis examines the feasibility in the local market, as well as fiscal and economic impacts that are anticipated to occur through the construction and annual operations of a new four-story, 140,000 square foot (SF) commercial storage facility. With the decline in the number of warehouse facilities in the region, and rising commercial rents, many companies can no longer afford large warehouses. Such businesses have nowhere to store their inventory, which is a major roadblock to their success and growth. The proposed commercial storage facility is responsive to this need and anticipates serving the needs of hundreds of local businesses in Valley Stream and surrounding communities, in a cost-effective manner.

The proposed commercial storage facility will create strong economic activity by providing new employment opportunities and will provide a tax revenue and/or payment in lieu of taxes. The analysis served to accompany the IDA application to the Town of Hempstead.

RD Industrial Site (Yaphank, NY)

NPV prepared a series of economic and fiscal calculations as part of the Land Use Application being prepared for a 47+ acre project site is located the hamlet of Yaphank, Town of Brookhaven. The proposed project includes the development of two one-story distribution warehouses, as well as a three-story self-storage building. For the purpose of this analysis, it was assumed that both distribution warehouse buildings will be occupied by a mix of industrial and office uses, with a split of 90%/10% favoring pure industrial use.

As economic stability returns following the coronavirus pandemic of 2020-21, the proposed project is expected to contribute to the long-term economic health of the community. More specifically, the proposed project will establish many new construction and operational jobs that will help in the pre- and post-pandemic recovery, as well as a solid tax base upon full build-out and full-taxation of the property.

Canoe Place Inn and Hampton Boathouses (Hampton Bays, NY)

The Canoe Place Inn (CPI) has a longstanding history and serves as an important part of the character of the Hampton Bays community. The rehabilitation the formerly vacant CPI included synergistic uses on the site reminiscent of its history, working together to draw interest for destination weddings, charity events, business conferences and other special events.

In the 2014 preparation of the Environmental Impact Statement, NPV prepared a Fiscal Impact Analysis and Assessment of Needs and Benefits for the Canoe Place Inn and Hampton Boathouses properties. The study examined and quantified the beneficial impacts to the local school district as well as the generation of annual property tax revenues. Moreover, the analysis projected the economic impacts – on output, employment and labor income – during both the construction period and annually, upon a stabilized year of operations of the rehabilitated CPI and residential project components. NPV also prepared a Residential Market Analysis for the Hampton Boathouses property on Shinnecock Canal. The analysis analyzed the relationship between the demand for, and supply of, comparable residential developments and ultimately,

quantified the amount and type of housing units that could be supported by the target market – including both those for year-round residents and seasonal residents.

In 2019, NPV prepared a Market Feasibility Analysis for CPI, for submission to the Suffolk County Industrial Development Agency (SCIDA) for tax deferral and other financial assistance. The analysis examined the demand for CPI, the local and regional tourism market and forecasted growth, and determined that CPI will establish a tourism destination that is likely to attract a significant number of visitors from outside the economic development region, and therefore eligible for SCIDA assistance.

Danford's Hotel, Marina & Spa: Economic Planning Analysis (Port Jefferson, NY)

Danford's Hotel, Marina & Spa is an integrated water-dependent facility in Port Jefferson, New York, and is referred to as "the anchor of Port Jefferson." The hotel, marina, spa and restaurant are inter-related uses that support recreational/commercial boating, marine trades, marine material suppliers and related industries. The combined facility is an economic engine for Port Jefferson and the region, with the annual maintenance to, and operations of, the facility creating strong economic activity. An abundant amount of consumer activity ripples through the

local community, contributing vastly to the economy of downtown Port Jefferson, and into the Town of Brookhaven, Suffolk County and the region as a whole.

NPV prepared an Economic Planning Analysis that quantified the beneficial economic impacts associated with Danford's Hotel, Marina & Spa. The analysis examined the direct, indirect and induced impacts on output, employment and labor income, during the annual maintenance and repair construction of the facility, as well as during annual operations of the hotel, marina & spa.

TopGolf Market Feasibility Analysis (Holtsville, New York)

Topgolf is a global sports and entertainment community, which was first launched in the United States in 2005. It has served as the pioneer in the golf entertainment industry ever since. The most recent location in Holtsville, NY includes a 65,000 square foot, state-of-the-art, multi-level golf entertainment complex, and allows for a unique experience that can be enjoyed year-round. No such facility currently exists on Long Island. The synergistic uses provided at the Topgolf Holtsville location will work together to draw interest for local residents, college students and employers, as well as persons originating from outside of the area for patronage, corporate and charity events, business conferences and other special activities. This broad combination of guests will provide economic activity both at the site and into the surrounding community.

In 2016, NPV prepared a Economic and Fiscal Impact Analysis that examined and quantified the beneficial tax revenue benefits as well as economic impacts – on output, employment and labor income – during both the construction period and annually, upon a stabilized year of operations of the proposed Entertainment Recreation Facility. In 2019, NPV prepared a Market Feasibility Analysis for Topgolf, to accompany the Industrial Development Agency (IDA) application to the Town of Brookhaven. The analysis examined the strength of the regional entertainment recreation industry, the demand for this type of use, the lack of supply of comparable facilities in the local and regional economy, and various benefits that would be accrued to the local economy and community at large, through the annual operations of the Topgolf project. The analysis concluded that

Topgolf would provide a combined entertainment and recreation facility, that but for the project, would not be reasonably available to the residents of the Town of Brookhaven or Suffolk County, and therefore it was deemed eligible and appropriate for IDA assistance.

***Economic Development Chapter of the Comprehensive Plan Update
(Town of Southold)***

In an effort to achieve the Town's vision, five goals and numerous objectives were formed to provide direction for future decision-making pertaining to the Town's economy. Much of the Town's economic vitality is based on the Town's unique rural, historic and maritime-based character as well as its natural resources. NP&V prepared the economic chapter of the Comprehensive Plan Update for the Town of Southold to allow for the formation of appropriate recommendations and implementation strategies focused on long-term economic sustainability throughout the Town.

One of the specific tasks involved with the economic chapter of the Town's Comprehensive Plan is the zoning/build-out analysis. The Town of Southold is facing development pressure and is concerned about the impact that the current zoning may have on the Town's resources. The Town of Southold prepared a build-out analysis of several zoning districts, and NP&V funneled these findings into a model to assess the regional impact of full build-out and modified development scenarios. Ensuring quality of life, protection of environmental resources, housing needs and maintenance of the tax base were key elements of the model. This project involved the creation of a model to synthesize multiple evaluation factors to analyze the impact of full build out of the Town of Southold under its current zoning.

Niche Market and Branding Plan & Build-Out/Tax Base Analysis(Bellport, NY)

NPV worked with the Town of Brookhaven on a niche market and branding plan for the Greater Bellport community. The focus of this plan was to form a set of recommendations that outlined the necessary steps that members in the Greater Bellport community can take in order to successfully create a sense of place, community pride and positive perceptions through a more niche-oriented position in the local market. NPV recommended various initiatives to make the Greater Bellport community unique and marketable, creating a place that people want to be, where people are comfortable, and a place that people remember and come back to time and again. The niche market and branding plan strives to promote the community's niche market to new residents, visitors and economic development opportunities alike, offering the Greater Bellport community the opportunity to develop a theme that they want to be known for. NPV worked with the Town of Brookhaven on a build-out/tax base analysis, to analyze how the local school district could be impacted by growth. NPV created a GIS model to compare tax assessments for various land use scenarios to ensure an adequate tax base to support increased growth in school population without disproportionate increases in residential tax rates. This model was used to test assumptions for future development and to analyze various alternatives in an automated fashion, allowing for easy comparison of scenarios and results. Ultimately, the model will provide a reality check for future planning with respect to provision of quality community services and may provide support for creating additional commercial tax base within the district.

FISCAL & ECONOMIC IMPACT ANALYSIS

National Boulevard Warehouse Building 645 National Blvd., Medford, NY

NPV No. 99124

Prepared for:

WF Industrial XIII, LLC
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Prepared by:



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ATTACHMENTS

A NPV Qualifications

EXECUTIVE SUMMARY

This analysis examines the economic and fiscal impacts that are anticipated to occur through the construction and annual operations of a single-story warehouse building, known as National Boulevard Warehouse Building. The analysis is submitted in support of Brookhaven Industrial Development Agency (IDA) tax deferral which supports the financial viability of the project and serves Town goals in terms of project need, as well as construction/operation employment and projected tax revenue. The report includes demographic information, land use plan review, need for the project, economic (job creation) and fiscal (tax revenue) impact analysis. The report serves as a “feasibility study” for IDA review and reliance in considering tax assistance to facilitate the construction and operations of the project as described herein, and to summarize the resulting economic/fiscal benefits.

The subject site is approximately 9.89 acres in size and is located at 645 National Boulevard in the **hamlet of Medford, Town of Brookhaven**, Suffolk County, New York. The property consists of three tax map parcels, known as Suffolk County Tax Map (SCTM) numbers 200-812-3-5.9, 5.10 & 5.11. Lot 5.9 is within the South Country Central School District (CSD), while Lots 5.10 & 5.11 are within the Longwood CSD. The property is primarily surrounded by various commercial and industrial uses including a stone contracting facility, an appliance store, a pre-school/child care facility, and an institutional use (Pilgrim State Yaphank Center Government Office).

The proposed project involves the construction and annual operations of one single-story warehouse, consisting of 129,237 square-feet (sf) of space, with associated truck docks, vehicle parking, landscaping, pavement, storm drainage, and utilities.

As economic stability returns following the coronavirus pandemic of 2020-22, the proposed project is expected to contribute to the long-term economic health of the community. The proposed project will create strong economic activity by providing jobs and a solid tax base as quantified in this report. The new warehouse development proposed will support local businesses in Medford and the surrounding areas, bringing increased patronage and spending power to the community. Consumer activity will ripple through the local community, creating beneficial economic and fiscal impacts throughout Medford, the Town of Brookhaven, Suffolk County, and the region as a whole. The proposed project will also create a short- and long-term economic benefit by providing increased revenue to taxing jurisdictions.

Economic impacts include direct impacts, as well as those indirect and induced impacts that are projected to occur – on output, employment and labor income – during both the 14-month construction period, and annually upon stabilized operations of the National Boulevard Warehouse Building. During **construction**, direct, indirect, and induced impacts of the proposed project is anticipated to result in **\$25,459,581 in total output, 120 jobs** (total FTE jobs), and **\$9,879,571 in labor income** (total wages). During **annual operations** following the proposed

construction, direct, indirect, and induced impacts of the proposed project are projected to be **\$4,424,828 in output** (total revenue), **55.64 jobs** (total FTE jobs), and **\$3,946,668 in labor income** (total wages).

The Applicant will be applying to the Town of Brookhaven to participate in its PILOT program. Since the exact terms of the PILOT have not yet been negotiated, this study analyzes the projected fiscal impacts based on a stabilized year of operations and full taxation based on current assessments and projected revenues. This projection of tax revenues is useful in assisting with an understanding of existing and future taxes to help structure a PILOT agreement. Any tax deferral programs will delay and phase-in full taxation.

At full build-out and during annual operations, the proposed project is projected to generate significantly more tax revenue than the current conditions of the property. It is estimated that the proposed project will generate **\$413,150 in annual taxes** under full taxation of the property, of which **\$122,383** is allocated to the **South Country Central School District** and **\$167,412** is allocated to the **Longwood Central School District** with no increase in school-aged children or additional expenditures incurred by the district. The current taxes generated by the three parcels that comprise the subject property are \$21,965 in annual taxes, of which \$6,506 is allocated to the South Country CSD and \$8,900 is allocated to the Longwood CSD.

In summary, the proposed project is beneficial to economic conditions in the hamlet of Medford, the Town of Brookhaven, Suffolk County, and the region, as a result of job creation (construction and operations) and increasing revenue to local taxing jurisdictions. Overall, the project is economically and socially beneficial as discussed in more detail in the full report.

1.0 INTRODUCTION AND PURPOSE

Nelson Pope Voorhis (NPV) has been requested to prepare a fiscal and economic impact summary for the proposed development of a single-story warehouse building, known as National Boulevard Warehouse Building, located in the hamlet of Medford, Town of Brookhaven, Suffolk County. This analysis examines the fiscal and economic impacts that are anticipated to occur through the construction and annual operations of the distribution warehouses, which is proposed to be 129,237 sf of warehouse space. The site location is more specifically described as 645 National Boulevard, Medford and consists of three tax map parcels: SCTM numbers 200-812-3-5.9, 5.10 & 5.11. Lot 5.9 is within the South Country Central School District (CSD), while Lots 5.10 & 5.11 are within the Longwood CSD.

NPV is a professional environmental and planning firm with qualifications and expertise to prepare fiscal and economic impact analyses, and has a track record of similar completed projects, as well as residential and commercial market analysis and related economic development services to private and municipal clients. The economic qualifications of the firm and personnel are provided in **Attachment A**.

As economic stability returns following the coronavirus pandemic of 2020-22, the proposed project is expected to contribute to the long-term economic health of the community. More specifically, the proposed project will advance the planning goals of the Town and will establish many new construction jobs and operational jobs that will help in the post-pandemic recovery. The proposed project will create strong economic activity by providing jobs and a solid tax base. Consumer activity will ripple through the local community, creating beneficial economic and fiscal impacts throughout the hamlet of Medford, the Town of Brookhaven, Suffolk County, and the region as a whole.

The following analysis examines and quantifies the fiscal and economic impacts that are anticipated to result from the proposed development. **Section 2.0** outlines the methodology and the sources of data used to project the fiscal and economic impacts generated in this analysis. **Section 3.0** examines and summarizes demographics and trends specific to the hamlet of Medford, the Town of Brookhaven and Suffolk County. **Section 4.0** analyzes relevant town and local planning documents specific to the community and summarizes the proposed project's consistency with such reports.

Section 5.0 summarizes the existing fiscal conditions – including enrollment, budget, and current tax rates and levies for the South Country and Longwood CSDs. This section also summarizes the land use and tax base composition, detailed budgets and the current tax rates and levies for the Town of Brookhaven and Suffolk County. Moreover, this section summarizes the fiscal impacts that are anticipated to result from the proposed project. These include tax revenues that would

be allocated to each of the local taxing jurisdictions. This information is useful in understanding the future tax benefit and structuring a PILOT agreement.

In addition, Section 5.0 outlines the direct economic impacts, as well as those indirect and induced impacts that are estimated to occur – on output, employment and labor income – during both the 14-month construction period, and annually upon stabilized operations. These projections anticipate stabilization of the economy in post-pandemic conditions. A summary of these key economic findings is provided in **Table 1**.

TABLE 1
SUMMARY OF KEY ECONOMIC FINDINGS

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
<i>Economic Impacts during Construction</i>			
Direct Impact	\$17,008,100	76.40	\$6,803,240
Indirect Impact	\$3,778,699	16.74	\$1,391,261
Induced Impact	\$4,672,782	26.89	\$1,685,069
Total Impact	\$25,459,581	120.02	\$9,879,571
<i>Projected Economic Impacts during Operations</i>			
Direct Impact	\$1,938,555	42.50	\$3,081,637
Indirect Impact	\$643,311	3.02	\$198,543
Induced Impact	\$1,842,962	10.12	\$666,488
Total Impact	\$4,424,828	55.64	\$3,946,668

Source: Data provided by Wildflower Industrial XIII, LLC.; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

The Applicant will be applying to the Town of Brookhaven to participate in its PILOT program. Since the exact terms of the PILOT have not yet been negotiated, this study analyzes the projected fiscal impacts based on a stabilized year of operations and full taxation based on current assessments and projected revenues. This projection of tax revenues is useful in assisting with an understanding of existing and future taxes to help structure a PILOT agreement. Any tax deferral programs will delay and phase-in full taxation.

At full build-out and during annual operations, the proposed project is projected to generate significantly more tax revenue than the current conditions of the property. It is estimated that the proposed project will generate \$413,150 in annual taxes under full taxation of the property, of which \$122,383 would be allocated to the South Country CSD and \$167,412 would be allocated to the Longwood CSD, with no increase in school-aged children or increased expenditures incurred by the districts. The current taxes generated by the three parcels that comprise the property are \$21,965 in annual taxes, of which \$6,506 and \$8,900 is allocated to the South

Country and Longwood CSDs, respectively. The distribution of anticipated tax revenues is shown in **Table 2**.

TABLE 2
TAX REVENUE COMPARISON

Taxing Jurisdiction	Current Tax Revenue ¹	Projected Tax Revenue	Tax Revenue Percent Distribution
Total School Taxes	\$16,225	\$305,187	73.9%
School Districts- South Country CSD	\$6,506	\$122,383	29.6%
Library Districts- South Country CSD	\$362	\$6,815	1.6%
School Districts- Longwood CSD	\$8,900	\$167,412	40.5%
Library Districts- Longwood CSD	\$456	\$8,577	2.1%
Total County Taxes	\$2,626	\$49,391	12.0%
County of Suffolk	\$175	\$3,285	0.8%
County of Suffolk - Police	\$2,451	\$46,107	11.2%
Total Town Taxes	\$1,431	\$26,910	6.5%
Town - Town Wide Fund	\$341	\$6,408	1.6%
Highway - Town Wide Fund	\$92	\$1,740	0.4%
Town- Part Town Fund	\$110	\$2,075	0.5%
Highway- Part Town Fund/Snow Removal	\$887	\$16,687	4.0%
Total Other Taxes	\$1,683	\$31,662	7.7%
New York State MTA Tax	\$8	\$158	0.0%
Open Space Preservation	\$130	\$2,444	0.6%
Fire Districts – Medford	\$853	\$16,041	3.9%
Lighting Districts- Brookhaven	\$69	\$1,291	0.3%
Ambulance District- Medford	\$395	\$7,436	1.8%
Real Property Tax Law	\$176	\$3,315	0.8%
Out of County Tuition	\$40	\$747	0.2%
Suffolk County Community College Tax	\$12	\$230	0.1%
TOTAL: ALL TAXING JURISDICTIONS	\$21,965	\$413,150	100.0%

Source: Data provided by the Town of Brookhaven Assessor's Office; Analysis by Nelson, Pope & Voorhis, LLC.

Lastly, **Section 6.0** outlines the references and sources of information utilized in this analysis.

¹ Total tax revenue for all parcels that comprise of the property. Parcels 200-812-3-5.9 is within the South Country CSD and Parcels 200-812-3-5.10 & 5.11 are within the Longwood Central CSD.

2.0 METHODOLOGY

Various data and information from federal, state, local, and commercial data sources was used to analyze the existing conditions and projected fiscal and economic impacts stemming from the construction and annual operation of the proposed National Boulevard Warehouse Building.

WF Industrial XIII, LLC supplied information regarding project information, construction cost and construction schedule, estimated rental rates, and employment and employee salaries during annual operations of the proposed project.

South Country Central School District (CSD) and Longwood Central School District (CSD) provided data pertaining to the district budget, enrollment trends and per-pupil education costs.

The Town of Brookhaven and Suffolk County provided information regarding approved budgets and current tax rates for the parcels that comprise the subject property. This tax information was used to compare the existing revenues to those that are projected to be generated upon the full build-out of the proposed project.

The Office of the New York State Comptroller provided data pertaining to the annual district budgets for the South Country CSD and Longwood CSD.

New York State Education Department provides District Report Cards and the Fiscal Accountability Summary reports specific to the South Country and Longwood CSDs.

New York State Office of Real Property Services provides data pertaining to the existing tax base and tax revenues for the Town of Brookhaven. This information was used to better understand how local budgets and taxing jurisdictions will be affected by the proposed project.

United States Bureau of Labor Statistics and New York State Department of Labor publish the Occupational Employment Statistics survey. This survey was used to estimate the wages earned among those employed within “construction and extraction” occupations in the Long Island labor market. These wages were assumed for each of the workers responsible for the construction of the proposed project.

United States Census Bureau provides pertinent demographic data for the hamlet of Medford, Town of Brookhaven, and Suffolk County.

Environmental Systems Research Institute, Inc. (ESRI) generated on-demand demographic reports specific to hamlet of Medford, the Town of Brookhaven and Suffolk County through their *Business Analyst Online* program. Specifically, data was collected for 2000 Census, 2010 Census and 2021 estimates for population and housing characteristics, as well as five-year population

and housing projections (2026) for the Medford hamlet, Town of Brookhaven and Suffolk County. All estimates and projections provided by ESRI draw upon data from sources including the Current Population Survey, American Community Survey, Census of Retail Trade (all via the United States Census Bureau), Consumer Expenditure Survey (via the United States Bureau of Labor Statistics), United States Postal Service, Internal Revenue Service, National Bureau of Economic Research, and other commercial and federal data sources.

IMPLAN (formerly known as the Minnesota IMPLAN Group) developed an economic impact modeling system called IMPLAN, short for “impact analysis for planning.” The program was developed in the 1970s through the United States Department of Agriculture’s Forest Service, and was privatized in 1993.

IMPLAN is built on a mathematical input-output (I-O) model to express relationships between various sectors of the economy in a specific geographic location. The I-O model assumes fixed relationships between producers and their suppliers based on demand, and the inter-industry relationships within a region largely determine how that economy will respond to change. In an I-O model, the increase in demand for a certain product or service causes a multiplier effect; increased demand for a product affects the producer of the product, the producer’s employees, the producer’s suppliers, the supplier’s employees, and so on, ultimately generating a total impact in the economy that is greater than the initial change in demand.

The IMPLAN model is a method for estimating local economic multipliers, including those pertaining to production, value-added, employment, wage and supplier data. IMPLAN differentiates in its software and data sets between 546 sectors that are recognized by the United States Department of Commerce. Multipliers are available for all states, counties and zip codes, and are derived from production, employment and trade data from sources including the United States Census Bureau, County Business Patterns, Annual Survey of Government Employment, Annual Survey of Retail Trade; United States Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Consumer Expenditure Survey; United States Department of Labor; Office of Management and Budget; United States Department of Commerce; Internal Revenue Service; United States Department of Agriculture, National Agricultural Statistical Service; Federal Procurement Data Center; and United States Bureau of Economic Analysis, Regional Economic Information System, Survey of Current Business, among other national, regional, state and local data sources.

IMPLAN is widely accepted as the industry standard for estimating how much a one-time or sustained increase in economic activity in a particular region will be supplied by industries located in the region. Federal government agencies such as the Army Corps of Engineers, Bureau of Economic Analysis, Bureau of Land Management, Environmental Protection Agency, Federal Reserve Bank, Fish and Wildlife Service, and National Park Service have used the multipliers to study the local impact of government regulation on specific industries and to assess the local

economic impacts of Federal actions. State and local governments including New York State Department of Labor, New York State Division of the Budget, New York State Office of the State Comptroller, New York State Assembly and New York City Economic Development Corporation, have used the multipliers to estimate the regional economic impacts of government policies and projects and of events, such as the location of new businesses within their state, or to assess the impacts of tourism. Likewise, businesses, universities and private consultants have used the multipliers to estimate the economic impacts of a wide range of projects, such as building a new sports facility or expanding an airport; of natural disasters; of student spending; or of special events, such as national political conventions.

NPV personnel have received formal IMPLAN training through IMPLAN, and possess the qualifications to project economic impacts for a multitude of project types using this software. For the purpose of this analysis, multipliers specific to socio-economic data in Suffolk County's "Construction of new commercial structures" industry were analyzed to determine the direct, indirect and induced economic impacts during the construction period of the proposed project. Moreover, multipliers specific to socio-economic data in Suffolk County's "Warehousing and storage," industry was analyzed to determine the direct, indirect and induced economic impacts during the annual operations. A summary of these economic impacts can be found in **Section 5.0** of this analysis.

3.0 DEMOGRAPHICS AND LOCAL TRENDS

As noted in **Section 1.0**, this section examines demographics and socioeconomic characteristics, as well as trends specific to the Medford community, the Town of Brookhaven and Suffolk County. In addition, this section summarizes national and local trends among the warehousing market.

3.1 Demographics

Population

Trends in the residential population and in the number of households were examined for the hamlet of Medford, the Town of Brookhaven and Suffolk County. An analysis of past data, coupled with current estimates and projections, illustrate the changing needs of the community.

According to ESRI Community Profile Reports, and as seen in **Table 3** and **Chart 1**, the population within Medford increased slightly between 2000 and 2010, by over 8% to 24,142 residents.² The population within Medford has continued to grow, but at a slower rate, through 2021 and is projected to decline slightly through 2026. The Town of Brookhaven also witnessed population growth between 2000 to 2010, at a rate similar to Medford. The population of Brookhaven Town is estimated to have experienced a slight increase in population of 0.23% between 2010 and 2021, according to 2021 estimates, and is projected to experience a slight decline by 2026 to approximately 482,958 residents. Suffolk County population was the greatest in 2010 and projections indicate a small decline will occur through 2026 (from 1,492,708 to 1,479,167 persons as compared to 2021 estimates).

It is important to note that population projection does not account for specific developments currently in the planning or approval process. Moreover, while such factors are examined at the local level, projections are not based solely upon specific build-out scenarios or land use analyses. Rather, the projections are based upon historical trends and current estimates at the county level, a time series of county-to-county migration data, an historical analysis of residential building permit data and residential postal delivery counts. Such data is supplemented with available information generated by nationwide databases, statistics providers and demographic and spatial analysis tools.

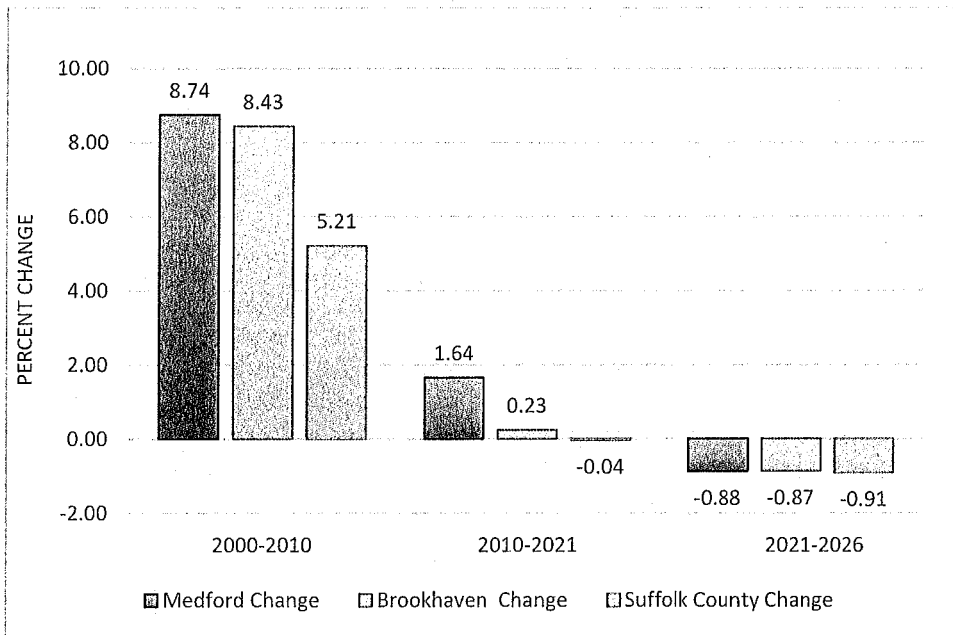
² ESRI, Community Profile Report. All reports accessed via ESRI Business Analyst Online, April 2022.

**TABLE 3
 POPULATION TRENDS**

Year	Medford	Town of Brookhaven	Suffolk County
2000	22,201	448,245	1,419,369
2010	24,142	486,040	1,493,250
2021 (Estimate)	24,539	487,182	1,492,708
2026 (Projection)	24,324	482,958	1,479,167

Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

**CHART 1
 PERCENT CHANGE IN POPULATION**



Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

Housing Units

The number of housing units within each geographic area has witnessed an increase in each of the time periods analyzed since 2000 as seen in **Table 4** and **Chart 2**. The increase in housing units was greatest between 2000 and 2010 when the increases in population were also the greatest. The 2026 projections for number of housing units are 7,000 units, 181,430 units, and 590,806 units in Medford, Brookhaven, and Suffolk County, respectively.³

³ ESRI, Community Profile Report. All reports accessed via ESRI Business Analyst Online, April 2022.

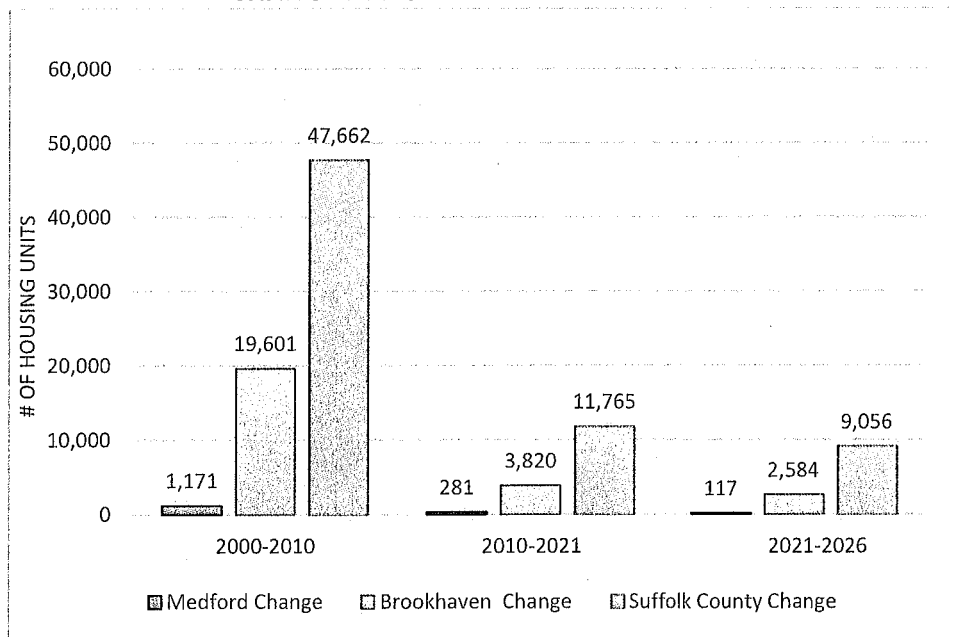
Housing unit projection does not account for specific developments currently in the planning or approval process. Moreover, while such factors are examined at the local level, projections are not based solely upon specific build-out scenarios or land use analyses. Rather, the projections are based upon historical trends and current estimates at the county level, a time series of county-to-county migration data, and historical analysis of residential building permit data.

**TABLE 4
 NUMBER OF HOUSING UNITS**

Year	Medford	Town of Brookhaven	Suffolk County
2000	7,000	155,425	522,323
2010	8,171	175,026	569,985
2021 (Estimate)	8,452	178,846	581,750
2026 (Projection)	8,569	181,430	590,806

Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

**CHART 2
 CHANGE IN NUMBER OF HOUSING UNITS**



Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

As seen in **Table 5**, the average household size in 2021 in Medford was 3.01 persons.⁴ This is slightly higher than the average household size of that in the Town of Brookhaven at 2.88 persons per household and Suffolk County at 2.92 persons per household.

TABLE 5
AVERAGE HOUSEHOLD SIZE: 2021

Geographic Area	Household Size
Medford	3.01
Town of Brookhaven	2.88
Suffolk County	2.92

Source: United States Bureau of the Census; Analysis by Nelson, Pope & Voorhis, LLC.

Tenure

As seen in **Table 6**, the majority of the housing units in each geographic location are owner-occupied. The percentage of renter-occupied housing units in each geographic area are fairly similar (16.5% in Suffolk, 17.9% in Brookhaven, and 13.9% in Medford). Medford has lower vacancy rates (5.2%) compared to the Town (8.2%) and County (13.8%).

TABLE 6
HOUSING TENURE: 2021 (ESTIMATE)

Housing Type	Medford	Town of Brookhaven	Suffolk County
Total Housing Units	8,452	178,846	581,750
Owner-Occupied	80.9%	73.9%	69.7%
Renter-Occupied	13.9%	17.9%	16.5%
Vacant Housing Units	5.2%	8.2%	13.8%

Source: United States Bureau of the Census; ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

⁴ ESRI, Community Profile Report. All reports accessed via ESRI Business Analyst Online, April 2022.

Income

Household income serves as a primary measure in determining affordability among various housing options within a given community. As seen in **Table 7**, the median household incomes in Medford, the Town of Brookhaven, and Suffolk County are fairly similar and all slightly over \$100,000.⁵

**TABLE 7
 MEDIAN HOUSEHOLD INCOME: 2021**

Geographic Area	Household Income
Medford	\$101,708
Town of Brookhaven	\$102,497
Suffolk County	\$106,692

Source: ESRI Business Analyst; Analysis by Nelson, Pope & Voorhis, LLC.

3.2 Warehousing Trends

Current and projected local, regional and national warehousing space conditions are an important component to understanding the market for new warehouse space in the Town of Brookhaven. Many external economic forces are shaping the local conditions in the community, the Long Island region, and even nationally.

Warehousing space is becoming increasingly scarce throughout the country. It is estimated that the United States may need an additional one billion square feet of warehouse space by 2025, resulting from the recent increases in e-commerce sales.⁶ The trends observed nationally are also applicable to Long Island.

Demand for industrial space on Long Island is increasing and outpacing the existing supply. The inventory of available industrial space on Long Island has shrunk to a historic low, with an overall vacancy rate of only 3.5% in 2021, compared to a vacancy rate of 4.8% in 2020.⁷ The need for additional warehousing space was exacerbated by the success of e-commerce businesses and the need for delivery services during and continuing throughout the coronavirus pandemic. While the pandemic contributed to the increased need, these trends are anticipated to continue after the pandemic subsides, resulting in a long term need for additional warehousing space.⁸

Warehousing space is necessary for the operations businesses of all sizes in order to track inventory, centralize products, ensure safe storage of items, and fulfill orders. The proposed

⁵ ESRI, Community Profile Report. All reports accessed via ESRI Business Analyst Online, April 2022.

⁶ CNBC. "U.S. may need another 1 billion square feet of warehouse space by 2025 as e-commerce booms" July 9, 2020. <https://www.cnbc.com/2020/07/09/us-may-need-another-1-billion-square-feet-of-warehouse-space-by-2025.html>

⁷ Business Insider. "Spaced Out" August 13, 2021. <https://libn.com/2021/08/13/spaced-out-2/>

⁸ CNBC. "U.S. may need another 1 billion square feet of warehouse space by 2025 as e-commerce booms" July 9, 2020. <https://www.cnbc.com/2020/07/09/us-may-need-another-1-billion-square-feet-of-warehouse-space-by-2025.html>

project will provide additional warehousing space, which is beneficial to local businesses in the hamlet of Medford, Town of Brookhaven, as well as to the community in general as these businesses are able to operate successfully and provide job opportunities both during construction and operations.

4.0 CONSISTENCY WITH EXISTING COMPREHENSIVE PLANNING DOCUMENTS

As noted in **Section 1.0**, this section analyzes relevant town and local planning documents specific to the community and summarizes the proposed project's consistency with such reports. This includes the Town of Brookhaven Zoning Code and Town of Brookhaven Comprehensive Land Use Plan (1996).

Town of Brookhaven Zoning Code

According to the Town of Brookhaven adopted zoning map, the property of the proposed National Boulevard Warehouse Building is located within the Light Industry (L1) zoning district. Warehouses are defined as buildings used primarily for the storage of goods and materials, with limited trucking activity, and may include an office. Warehouses are a permitted use within the L1 zoning district. The property is located within a hydrogeologic sensitive zone, which results in stricter dimensional requirements, such as a required minimum lot size of 120,000 square feet when typically only 40,000 square feet is required in the L1. In addition, a greater roadway frontage (200') is required for parcels within a hydrogeologic sensitive zone (otherwise 100') and the maximum permitted FAR is 30%, compared to 35% for parcels outside of the hydrogeologic sensitive zone. The proposed project complies with the intent of the Town of Brookhaven Zoning Code since it is a permitted use within the L1 district and complies with dimensional regulations. The proposed distribution warehouse facility is compatible with the environmental considerations of the property since the proposed use has relatively low water demand and sanitary flow.

Town of Brookhaven Comprehensive Land Use Plan (1996)

The *Town of Brookhaven Comprehensive Land Use Plan (1996 Comprehensive Plan)* sets several general goals, identifies environmental resources, discusses existing land uses, provides broad policies and recommendations, and includes a land use map. The land use map recommends future land uses and development patterns for the Town and depicts the subject property as an industrial use. Industrial uses, as defined by the Plan, include manufacturing, warehouses, concrete producers, corporate offices, and related uses. The Land Use Plan emphasizes the importance of maintaining industrial zoning as a source of tax revenue, especially since it will not increase the expenditures of the local school districts.

Overall, the proposed project complies with the intent and advances the recommendations provided in the *Town of Brookhaven Comprehensive Land Use Plan* as the National Boulevard Warehouse Building are consistent with the recommended future land use of the property and provides beneficial tax revenues.

5.0 SUMMARY OF FISCAL & ECONOMIC IMPACTS

As noted in **Section 1.0**, this analysis summarizes the existing fiscal conditions and the projected economic and fiscal impacts that are associated with the construction and annual operations of the proposed 129,237 sf single-story warehouse building. Fiscal impacts include the generation of tax revenues and their anticipated distribution among local taxing jurisdictions. Economic impacts include direct, indirect and induced benefits on output, employment and associated labor income during the 14-month construction phase and annually upon stabilized operations of the proposed project.

As economic stability returns following the coronavirus pandemic of 2020-22, the proposed project is expected to contribute to the long-term economic health of the community. The proposed project will also create a short- and long-term economic benefit by providing revenue to taxing jurisdictions. Moreover, the proposed project will generate immediate construction jobs. Such fiscal and economic benefits are most crucial for the economic well-being throughout the town of Brookhaven, the greater Long Island region and New York State.

A summary of findings is provided herein, with detailed methodologies and references provided throughout this analysis. This analysis was prepared using methods, data and information that are considered to be industry standard for such fiscal and economic impact analyses.

5.1 Definition of Economic Impacts

A *direct impact* arises from the first round of buying and selling and includes the production of changes and expenditures made as a result of the proposed action. These direct impacts can be used to identify additional rounds of buying and selling for other sectors of the economy and to identify the impact of spending by local households. An indirect impact refers to the increase in sales of other industry sectors stemming from business-to-business purchases in the supply chain due to the initial input purchases, which include further round-by-round sales. An induced impact accounts for the changes in household spending resulting from the labor income generated by the employees of the proposed action during construction and operations, resulting from direct and indirect impacts. The total impact is the sum of the direct, indirect and induced impacts.

5.2 Key Findings

5.2.1 Existing Conditions

- According to the U.S. Census Bureau American Community Survey Five-Year Estimates and as noted in **Section 3.0**, in 2021 there were estimated to be approximately 24,539 persons residing within 8,452 housing units in the hamlet of Medford. Additionally, in 2021, there were approximately 487,182 persons residing within 178,846 housing units

in the Town of Brookhaven and approximately 1,492,708 persons residing in 581,750 housing units in Suffolk County in 2021.⁹

- The proposed project is located within the boundaries of the Longwood CSD and the South Country CSD.
- Most assessed parcels in the Town of Brookhaven are residential properties, comprising 74% of the total number of parcels and 46.9% of the Town's tax base.
- The Town of Brookhaven adopted a balanced operating budget for the 2021-22 fiscal year of \$135.1 million, compared to an operating budget of \$130.3 million for the 2020-21 fiscal year.¹⁰
- Suffolk County adopted a 2022 operating budget of over \$4.738 billion in revenues and \$4.018 in expenditures.¹¹
- Prior to the coronavirus pandemic of 2020-22, unemployment had been decreasing substantially since its peak in 2010-2012. Unemployment in the Town, County, Long Island and New York State increased significantly in 2020; but started to decline in 2021 and has continued to decline into 2022. As of February 2022, approximately 9,400 persons – 3.7% of the Town's labor force – were unemployed. While it is important to note that this data has not been seasonally adjusted, the February 2022 unemployment rate for the Town was equal to Long Island's unemployment rate (3.7% of the labor force) and marginally lower than Suffolk County's unemployment rate (approximately 30,000 person or 3.9% of Long Island's labor force). However, the Town, County, and Long Island unemployment rates are all lower than New York State's overall unemployment rate of 5.1% (477,100 persons).
- The parcels that comprise the project site are currently taxed at a total rate of 354.747 to 410.163 per \$100 of assessed valuation, depending on the school district that the parcel is within. This translates into a current generation of \$21,965 in property tax revenues.¹² The existing distribution of tax revenues is shown in **Table 8**.

⁹ ESRI, *Community Profile Report*. All reports accessed via ESRI Business Analyst Online, April 2022.

¹⁰ Town of Brookhaven, "2022 Adopted Operating Budget."

¹¹ Suffolk County, "2022 Operating Budget, Volume 1."

¹² Town of Brookhaven Assessor's Office.

**TABLE 8
EXISTING TAX REVENUE**

Taxing Jurisdiction	Current Tax Rate (per \$100 Assessed Valuation)	Current Tax Revenue ¹³	Tax Revenue Percent Distribution
Total School Taxes	254.400 - 309.816	\$16,225	73.9%
School Districts- South Country CSD	240.98	\$6,506	29.6%
Library Districts- South Country CSD	13.42	\$362	1.6%
School Districts- Longwood CSD	294.717	\$8,900.	40.5%
Library Districts- Longwood CSD	15.099	\$456	2.1%
Total County Taxes	45.907	\$2,626	12.0%
County of Suffolk	3.053	\$175	0.8%
County of Suffolk - Police	42.854	\$2,451	11.2%
Total Town Taxes	25.012	\$1,431	6.5%
Town - Town Wide Fund	5.956	\$341	1.6%
Highway - Town Wide Fund	1.617	\$92	0.4%
Town- Part Town Fund	1.929	\$110	0.5%
Highway- Part Town Fund/Snow Removal	15.51	\$887	4.0%
Total Other Taxes	29.428	\$1,683	7.7%
New York State MTA Tax	0.147	\$8	0.0%
Open Space Preservation	2.272	\$130	0.6%
Fire Districts – Medford	14.909	\$853	3.9%
Lighting Districts- Brookhaven	1.2	\$69	0.3%
Ambulance District- Medford	6.911	\$395	1.8%
Real Property Tax Law	3.081	\$176	0.8%
Out of County Tuition	0.694	\$40	0.2%
Suffolk County Community College Tax	0.214	\$12	0.1%
TOTAL: ALL TAXING JURISDICTIONS	354.747 - 410.163	\$21,965	100.0%

Source: Data provided by the Town of Brookhaven Assessor's Office; Analysis by Nelson, Pope & Voorhis, LLC.

5.2.2 Economic Impacts of Construction

A detailed analysis of direct, indirect and induced impacts generated during the 14-month construction period is outlined below. It is important to note that each of these impacts are temporary and are projected to occur only while the proposed project is being constructed. As previously noted, these projections anticipate stabilization of the economy in post-pandemic conditions.

- For the purpose of this analysis, it is anticipated that construction of the proposed project will commence in November 2022, with the construction period anticipated to occur over

¹³ Total tax revenue for all parcels that comprise of the property. Parcels 200-812-3-5.9 is within the South Country CSD and Parcels 200-812-3-5.10 & 5.11 are within the Longwood Central CSD.

a period of approximately 14 months.¹⁴

- The proposed project is projected to represent approximately \$17.0 million¹⁵ in construction costs over the 14-month construction period.¹⁶ This \$17.0 million in direct annual output is projected to generate an indirect impact of over \$3.7 million, and an induced impact of an additional \$4.6 million, bringing the total economic impact on output to over \$25.4 million during the 14-month construction period.¹⁷
- During the construction period, direct employment refers to the number of short-term jobs necessary to complete the construction of the proposed project. The construction period is anticipated to generate 76.4 FTE jobs, which are anticipated to last the entire duration of the 14-month construction period for the purpose of this analysis.
- Construction will also result in indirect impact of 16.74 FTE employees and an induced impact of 26.89 FTE employees in other industry sectors, bringing the total impact of the 14-month construction period to 120.02 FTE jobs.¹⁸ This job creation – direct, as well as indirect and induced – is most crucial during Long Island’s present economic state, and presents opportunities for persons who remain unemployed throughout the region. During the construction period, direct labor income refers to the annual earnings, wages, or salary paid to each of the workers responsible for the construction of the proposed project. Labor income typically comprises approximately 40% of the cost of industrial construction; the remaining portion represents the cost of materials.¹⁹
- Labor income is projected to total \$73,779 per year, per employee.²⁰ When applied to the 14-month construction period, this represents approximately \$86,075 per employee, and over \$6.8 million in collective earnings among the 76.4 FTE employees. This labor income is projected to have an indirect impact of \$1.3 million and an induced impact of

¹⁴ Construction schedule provided by WF Industrial XIII, LLC in March 2022.

¹⁵ For the purpose of this analysis, this figure and all other figures in the construction portion of this analysis reflect 2022 dollars, the year in which construction is assumed to commence.

¹⁶ Construction costs provided by WF Industrial XIII, LLC in March 2022. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

¹⁷ According to IMPLAN, a multiplier of 1.579270 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand through the “Construction of new commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

¹⁸ According to IMPLAN, a multiplier of 9.690000 represents the total change in the number of jobs that occurs in all industries for each additional one million dollars of output delivered to final demand through the “Construction of new commercial structures” (IMPLAN Sector 55) in Suffolk County, New York.

¹⁹ Construction/renovations labor and materials estimates per architectural design group Nelson and Pope.

²⁰ New York State Department of Labor’s Occupational Employment Statistics survey reports a mean wage of \$71,630 among those employed within construction and extraction occupations in the Long Island labor market. Data was collected between November 2017 and May 2020, and then updated to the first quarter of 2021 by making cost-of-living adjustments. An additional annual inflation factor of three percent (3%) was applied to the average wage, to reflect wages at the commencement of the construction period – estimated to occur in 2022 for the purpose of this analysis.

\$1.6 million, bringing the total economic impact of the 14-month construction period to over \$9.8 million in labor income.²¹

A summary of key economic findings projected to occur during the 14-month construction period is provided in **Table 9**.

TABLE 9
SUMMARY OF KEY ECONOMIC FINDINGS
DURING 14-MONTH CONSTRUCTION PERIOD

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$17,008,100	76.40	\$6,803,240
Indirect Impact	\$3,778,699	16.74	\$1,391,261
Induced Impact	\$4,672,782	26.89	\$1,685,069
Total Impact	\$25,459,581	120.02	\$9,879,571

Source: Data provided by Wildflower Industrial XIII, LLC.; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

5.2.3 Economic Impacts of Annual Operations

A detailed analysis of direct, indirect and induced impacts generated annually during operations is outlined below. It is important to note that each of these benefits will be permanent and on-going and they are projected on an annual basis, assuming continued stabilized operations. These projections anticipate stabilization of the economy in post-pandemic conditions and fully utilized warehouses following construction.

- The analysis assumes that the operational phase of development will begin upon the completion of the 14-month construction period. For the purpose of this analysis, the first year of stabilized operations is assumed to occur in 2025 in the second year of operations.
- Annual output will be generated in the form of monthly rental income from the warehouses, which is based on a rental rate of \$15 per square foot per year,²² which totals approximately \$1.9 million per year.
- The annual operational revenues are projected to generate an indirect impact of over \$650,000 and an induced impact of over \$1.8 million per year. This additional output is

²¹According to IMPLAN, a multiplier of 0.731501 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand through the "Construction of new commercial structures" (IMPLAN Sector 55) in Suffolk County, New York.

²² Assumptions pertaining to monthly rental rates provided by WF Industrial XIII, LLC in March 2022. It is important to note that all costs are estimates based upon market conditions as of the date of preparation of this analysis.

generated through round-by-round sales made at various merchants in other sectors of the regional economy. These include local retailers, insurance companies, banks, grocers, restaurants, financial institutions, health and legal services providers, and other establishments in the region.

- The sum of the direct, indirect and induced impacts results in a total economic impact on output of over \$4.4 million during annual operations.²³
- The proposed project is anticipated to generate a total of 42.5 FTE jobs during future annual operations, consisting of 40 full-time jobs and 5 part-time jobs.
- Operations will have an indirect impact of 3.02 FTE employees and an induced impact of 10.12 FTE employees in other industry sectors, bringing the total economic impact of employment to 55.64 FTE jobs during annual operations.²⁴
- The 42.5 FTE jobs will generate a total of \$3.0 million in employee salaries and benefits.²⁵ This represents the collective employee labor income during annual operations.
- The \$3.0 million in labor income will have an indirect impact of \$198,543 and an induced impact of \$666,488, bringing the total economic impact of labor income to \$3.9 million during a stabilized year of annual operations.²⁶

A summary of key economic findings projected to occur during annual operations is provided in **Table 10**.

TABLE 10
SUMMARY OF KEY ECONOMIC FINDINGS DURING ANNUAL OPERATIONS

Impact Type	Output (Total Revenue)	Employment (Total Number of FTE Jobs)	Labor Income (Total Wages)
Direct Impact	\$1,938,555	42.50	\$3,081,637
Indirect Impact	\$643,311	3.02	\$198,543
Induced Impact	\$1,842,962	10.12	\$666,488
Total Impact	\$4,424,828	55.64	\$3,946,668

Source: Data provided by Wildflower Industrial XIII, LLC.; Analysis by Nelson, Pope & Voorhis, LLC, via IMPLAN software.

²³ According to IMPLAN, a multiplier of 1.734651 represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by "Warehousing and storage" (IMPLAN Sector 422), in Suffolk County, New York.

²⁴ According to IMPLAN, a multiplier of 12.730000 represents the total change in the number of jobs that occurs in all industries for each additional one million dollars of output delivered to final demand by "Warehousing and storage" (IMPLAN Sector 422), in Suffolk County, New York.

²⁵ Assumptions pertaining to the number of operations employees and salaries provided by WF Industrial XIII, LLC, in May 2022. An additional multiplier of 1.145590036 was applied to the salaries to reflect the average fringe benefits among those employed within the "Warehousing and storage" (IMPLAN Sector 422), in Suffolk County, New York. It is important to note that all assumptions are estimates based upon market conditions as of the date of preparation of this analysis.

²⁶ According to IMPLAN, a multiplier 0.842701 represents the total dollar change in labor income of households employed by all industries for each additional dollar of output delivered to final demand by the "Warehousing and storage" (IMPLAN Sector 422), in Suffolk County, New York.

5.2.4 Anticipated Fiscal Impacts

- For taxing purposes, the total estimated market valuation of the proposed project is based upon an annual rental rate of \$15²⁷ per square foot, resulting in total rental revenues of \$1,938,555.
- After applying an estimated loss from vacancies of 5%, as well as an estimated expense ratio of 20% for industrial uses, a capitalization rate of 0.1 and an equalization rate of 0.74%, the estimated assessed valuation of the industrial development upon full build-out and occupancy is approximately \$107,590. This is shown in **Table 11**.

**TABLE 11
 PROJECTED ASSESSED VALUATION**

Parameter	Value
Gross Annual Rents	\$1,938,555
Estimated Loss from Vacancies	5%
Expense Ratio	20%
Net Income	\$1,453,916
Capitalization Rate	0.1
Estimated Market Value	\$14,539,163
Equalization Rate	0.74%
Projected Assessed Value	\$107,590

Source: Data provided by Wildflower Industrial XIII, LLC.; Analysis by Nelson, Pope & Voorhis, LLC.

- Fiscal impacts are projected based on a stabilized year of operations and full taxation based on current assessments and projected revenues. It is noted that any tax deferral programs will delay and phase-in full taxation. The projection of tax revenues is useful in determining future taxation and in assisting with an understanding of existing and future taxes to help structure a PILOT agreement.
- It is important to note that the projected tax information provided in **Table 12** was derived from the current assessment factors and tax rates provided by the Town of Brookhaven. It is also important to note that all analyses are based on current tax dollars, and the revenue allotted among taxing jurisdictions will vary from year to year, depending on the annual tax rates, assessed valuation and equalization rates. Further, the final assessment and levy will be determined by the sole assessor at the time of occupancy. Projections included herein are as accurate as possible using fiscal impact methodologies, for the purpose of the planning and land use approval process.

²⁷ Annual rental rate per square foot provided by WF Industrial XIII, LLC in March, 2022.

TABLE 12
ANTICIPATED TAX REVENUE GENERATION

Taxing Jurisdiction	Current Tax Revenue ²⁸	Projected Tax Revenue	Change in Tax Revenue
Total School Taxes	\$16,225	\$305,187	\$288,962
School Districts- South Country CSD	\$6,506	\$122,383	\$115,876
Library Districts- South Country CSD	\$362	\$6,815	\$6,453
School Districts- Longwood CSD	\$8,900.	\$167,412	\$158,512
Library Districts- Longwood CSD	\$456	\$8,577	\$8,121
Total County Taxes	\$2,626	\$49,391	\$46,765
County of Suffolk	\$175	\$3,285	\$3,110
County of Suffolk - Police	\$2,451	\$46,107	\$43,655
Total Town Taxes	\$1,431	\$26,910	\$25,480
Town - Town Wide Fund	\$341	\$6,408	\$6,067
Highway - Town Wide Fund	\$92	\$1,740	\$1,647
Town- Part Town Fund	\$110	\$2,075	\$1,965
Highway- Part Town Fund/Snow Removal	\$887	\$16,687	\$15,800
Total Other Taxes	\$1,683	\$31,662	\$29,978
New York State MTA Tax	\$8	\$158	\$150
Open Space Preservation	\$130	\$2,444	\$2,314
Fire Districts – Medford	\$853	\$16,041	\$15,188
Lighting Districts- Brookhaven	\$69	\$1,291	\$1,222
Ambulance District- Medford	\$395	\$7,436	\$7,040
Real Property Tax Law	\$176	\$3,315	\$3,139
Out of County Tuition	\$40	\$747	\$707
Suffolk County Community College Tax	\$12	\$230	\$218
TOTAL: ALL TAXING JURISDICTIONS	\$21,965	\$413,150	\$391,185

Source: Data provided by the Town of Brookhaven Assessor's Office; Analysis by Nelson, Pope & Voorhis, LLC.

The proposed project includes the development of a warehouse facility and therefore, will not generate additional students to the South Country or Longwood CSDs. The proposed project is anticipated to levy approximately \$122,383 in property tax revenues for the South Country CSD and \$167,412 for the Longwood CSD, without generating additional costs stemming from an increased student enrollment. This net revenue could ease the districts' needs to tap into additional fund balances and could also help alleviate an increased burden on other taxpayers throughout the districts.

²⁸ Total tax revenue for all parcels that comprise of the property. Parcels 200-812-3-5.9 is within the South Country CSD and Parcels 200-812-3-5.10 & 5.11 are within the Longwood Central CSD.

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ATTACHMENT A
Nelson, Pope & Voorhis, LLC
Economic Analysis Qualifications

**STATEMENT OF QUALIFICATIONS
ECONOMIC AND FISCAL IMPACT ANALYSIS**



NELSON POPE VOORHIS
environmental • land use • planning

**70 Maxess Road
Melville, NY 11747
Contact: Charles J. Voorhis, CEP, AICP, Principal
o: 631.427.5665 | cvoorhis@nelsonpopevoorhis.com**

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INTRODUCTION

Nelson, Pope & Voorhis, LLC (“Nelson Pope Voorhis” or “NPV”) is an environmental planning and consulting firm established in 1997 that serves governmental and private sector clients preparing creative solutions specialized in the area of complex environmental project management and land use planning/analysis. Our offices are strategically located in Melville, Long Island, NY and Suffern, NY in the Hudson River Valley. NPV consists of three divisions, created to better serve clients with high quality, innovative and responsive consulting services in all aspects of environmental planning. The three divisions are:

- **Environmental and Community Planning Division:** prepares comprehensive plans, long-term planning studies, corridor redevelopment studies, brownfield plans and comprehensive and strategic zoning amendments. The group is effective in the use of geographic information systems (GIS) mapping to evaluate issues and present baseline data. Effective community outreach strategies are developed and tailored for each project and the community in which the project is taking place. The group represents a number of planning boards in the region.
- **Phase I/II ESA and Remediation Division:** prepares Phase I/II Environmental Site Assessments with soil and groundwater sampling services, lead based paint, asbestos and radon inspection services, and all forms of environmental sampling. The division evaluates the implications of past and/or present contamination and property uses on future land uses.
- **Environmental Resource and Wetland Division:** conducts ecological assessment and planning, landscape and coastal restoration, wetland delineation and restoration, habitat assessment, conducts stormwater modeling and green infrastructure planning and implementation. This division assists clients through permitting and SEQRA processes.

The primary focus of the firm is to provide quality consulting services that meet the needs and goals of our clients while respecting the environment. We pride ourselves being extremely responsive to each client. Clients rely on NPV’s depth of experience and expertise to provide solutions to each unique project within budget and on schedule. Our clientele, some of whom we have represented for decades, recognize NPV’s capabilities and are secure in knowing that they receive quality professional services from project inception through completion. NPV’s multidisciplinary staff includes AICP-certified planners, economists, ecologists, hydrologists, certified environmental professionals, grants specialists, and GIS specialists.

As a local firm, NPV has significant expertise in performing both Economic and Fiscal Impact Analyses as well as Market Studies. We have served as a primary consultant to many private developers as well as municipalities and have established a solid track-record of completed projects and local government references throughout Long Island, with an emphasis on economic related projects.

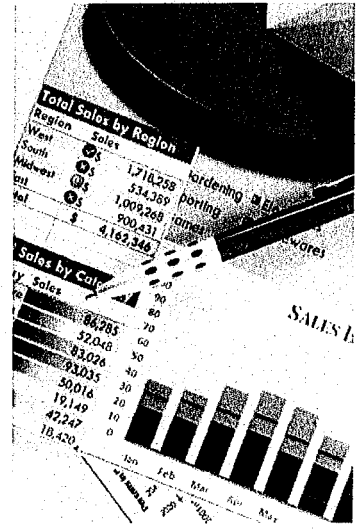
NPV has the capabilities to provide the following services:

PHASE I/II ESA AND REMEDATION	COMMUNITY AND LAND PLANNING	ENVIRONMENTAL AND WETLAND ASSESSMENT
<p><u>ENVIRONMENTAL AUDITS</u> Phase I ESA & Due Diligence Investigations Phase II ESA Groundwater Investigations Soil Sampling, Boring and Classifications Soil Gas Surveys Monitoring Wells & Piezometers Tank Sampling Pesticide Sampling & Plans Soil Management Plans Remediation Brownfield/Voluntary Cleanup Plans RCRA Closures Superfund Sites Asbestos Surveys Influent/Effluent Sampling Lead Based Paint Surveys Subsurface Investigations Ground Penetrating Radar (GPR) Dewatering Services Pipe Camera Magnetometer Groundwater Monitoring Studies Flow Studies Water Supply Studies Nitrogen Load/TMDL Evaluation</p> <p><u>ENVIRONMENTAL ANALYSIS</u> NYS SEQRA/NYC CEQR Administration NEPA Analysis/Documentation EIS/EAF Preparation GEIS & Regional Impact Analysis Noise Monitoring & Assessment Air Impact Analysis Visual Assessment</p>	<p><u>ECONOMIC</u> Fiscal Impact Analysis Economic Impact Analysis IMPLAN and RIMS II Economic Impact Modeling School District/Community Service Impact Analysis Market Studies Niche Market Analysis Demographic Studies Economic Development Planning Business Retention & Expansion Strategies Downtown Revitalization IDA Financing Assistance</p> <p><u>PLANNING</u> Development of Feasibility Studies LEED Planning Public Outreach Meetings Demographic Analysis Municipal Review Services Planning & Zoning Analysis Build Out Analysis GIS Analysis Code Preparation & Review Downtown Revitalization Regional Planning & Land Use Plans Recreation Planning LWRP & Harbor Management Plans Grant Writing & Administration Public Outreach & Community Surveys Community Visioning District Mapping Spatial Analysis of Call Database Needs Assessment Demographic Analysis</p>	<p><u>STORMWATER MANAGEMENT</u> Stormwater Permitting Stormwater Pollution Prevention Plans (SWPPP) Erosion & Sediment Control Plans NYSDEC "Qualified Inspectors" for Construction Field Monitoring Stormwater Management Programs NYSDEC Annual Reports Construction Stormwater Field Monitoring Outfall & Infrastructure Inventory GIS Mapping & Analysis Stormwater BMP's Stormwater Management Planning Low Impact Design</p> <p><u>ECOLOGY & WETLANDS</u> Wetland Delineation and Permits Permit Plans Restoration/Mitigation Plans Ecological Studies and Surveys Endangered Species Surveys Pond Management Plans Invasive Species Control Water Quality Evaluation Habitat Management Watershed Management Plans Environmental Education /Outreach</p> <p><u>COASTAL & WATERFRONT MANAGEMENT</u> Waterfront Management Plans Waterfront Certifications Coastal Erosion Hazard Area FEMA Compliance Shoreline Restoration Planning Ecological Landscape Design</p>

Economic and Fiscal Impact Analyses & Market Studies

NPV performs economic impact analyses and utilizes the software IMPLAN (a model that combines a set of extensive databases, economic factors, multipliers, and demographic statistics) to estimate short and long-term employment projections generated by a development. Economic impacts are determined by inputting the anticipated direct spending from construction and operations of each of the development through the IMPLAN model which may be calibrated to reflect local spending patterns. The IMPLAN model estimates the full-time job creation during construction and under operation — and the direct, indirect and induced economic benefits related to purchase of goods and services. Direct effects are the immediate result of the project

implementation. Indirect benefits stem from the purchase by local businesses/industries of goods and services from other local businesses/industries (also known as intermediate expenditures). Induced benefits reflect the spending of wages from residents (accounting for household purchases made by paid employees or from new residents in housing developments).



For fiscal impact analyses, NPV identifies project benefits and/or impacts in terms of tax revenue projections and demand for community services from various providers – including the ramifications of development on local school districts.

NPV prepares market studies to evaluate the need for a particular type of development, which include housing needs assessments, evaluation of retail gaps and surpluses, and niche market and branding studies.

KEY PERSONNEL

All NPV professionals are available to assist on an as-needed basis. Kathy Eiseman will serve as the project coordinator, working as the primary contact and assigning projects to the various professionals on the team. Specific individuals expected to provide services and their individual roles for Economic and Fiscal Impact Analyses initiatives are noted as follows:

Personnel	Qualifications, Project Role
Kathryn J. Eiseman AICPPartner	Project Oversight
Charles J. Voorhis, CEP, AICP Principal	Project Coordination
Taylor Garner Environmental Planner/GIS Manager	Project Coordination, Preparation of Reports
Valerie Monastra Principal Planner	Preparation of Reports

Nelson Pope Voorhis is managed by a select group of partners. Each provides specific expertise in the field of environmental planning, land use planning/analysis, remediation, engineering and land surveying that is unique within the industry. The diverse leadership of NPV couples the experience of our senior partners with the innovation and enthusiasm of our younger staff. Many of the team’s staff have advanced technical degrees and/or technical certifications. Such as LEED Accredited Professional (LEED AP), OSHA 40 Hour HAZWOPER, and American Institute of Certified Planners (AICP), etc.

Kathryn J. Eiseman, AICP, Partner is a Partner and Division Manager of the Environmental & Community Planning Division. She has over 20 years of planning experience in environmental planning and manages both private and public planning projects. Current projects include the Local Waterfront Revitalization Program for the Town of Islip and Brownfield Opportunity Area (BOA) for the Town of Riverhead BOA. Ms. Eiseman is the planner for the Villages of Southampton and Sag Harbor Planning Boards and directs her staff to perform site plan and subdivision reviews and advises the Board on a regular basis. She is skillful in managing complex projects and working with team members both in house and as subconsultants. Her staff is proficient in the use of GIS and design software for preparation of high-quality graphic products. Ms. Eiseman is experienced in the art of public participation and education and tailors her approach to the unique needs of each project community. She is an enthusiastic and creative planner who endeavors to bring a fresh approach to each project as well as to her position as Treasurer for the Long Island Section of the American Planning Association.

Charles Voorhis, CEP, AICP is Principal of NPV and has over 40 years of experience in environmental planning on Long Island and in the New York metropolitan area. Mr. Voorhis is a member of the American Institute of Certified Planners (AICP) and is a Certified Environmental Professional (CEP). He has a wealth of experience in managing large scale municipal projects including regional environmental planning, downtown revitalization and action planning, Generic Environmental Impact Statements, stormwater management, wetlands and coastal management, and municipal consulting. Mr. Voorhis and his firm serve as environmental planning consultants to many of New York Towns and Villages and are currently in the process of preparing several long-range planning initiatives for several Towns in Nassau and Suffolk Counties.

Taylor Garner is an environmental planner with an undergraduate degree in Environmental Science from Villanova University and a master's degree in Urban Planning with a concentration in Sustainability and the Environment from Hunter College. Ms. Garner has undergone the Formal training course in the IMPLAN Economic Modeling System IMPLAN. She oversees the preparation of market analyses and feasibility studies, niche market studies and branding plans, school district analyses, economic development strategies, as well as fiscal (projecting taxes and the impact to local jurisdictions) and economic (projecting job creating and associated revenues circulating throughout the economy) impact analyses for residential, commercial, office, industrial, recreational, hospitality, tourism and mixed-use developments. She has experience in analyzing demographic data and preparing grant applications. Ms. Garner has been involved with comprehensive plans, local waterfront revitalization plans, brownfield development, zoning plans, and public participation and community visioning processes. Ms. Garner is also experienced in the preparation and review of environmental assessment documents, including SEQRA and CEQR documents, and site plan review for the Villages of Southampton and Sag Harbor and the Town of Oyster Bay.

Valerie Monastra is an is an AICP Certified Environmental Planner with over 18 years of experience throughout the Hudson Valley in management and planning pertaining to land use development, zoning, environmental review, affordable housing and community development projects. Her educational and employment history encompass both urban and environmental planning as well as governmental administration. Ms. Monastra has experience providing planning services to New York State agencies including DOS, DEC, OPRHP and ESD and is expert in the SEQRA and NEPA processes. Ms. Monastra serves as the President of the Westchester Municipal Planning Federation. She has vast experience working on the local level with municipalities to complete plans and navigate projects through the land use approval process.

Detailed resumes can be provided upon request.

RELEVANT EXPERIENCE

The following list of projects have been selected to demonstrate the team's qualifications and capabilities.

City of New Rochelle Downtown Overlay Zone (DOZ) Zoning Amendments (New Rochelle, NY)

NPV prepared an economic and fiscal impact analysis for the proposed 2021 Amendments to the City of New Rochelle Downtown Overlay Zone (DOZ), located in the downtown area of New Rochelle, New York. The City is proposing updates to the Theoretical Development Scenario (TDS), which was originally evaluated as part of the 2015 Generic Environmental Impact Statement (GEIS). The GEIS was prepared to evaluate potential impacts that could result from the adoption of the DOZ. The 2021 TDS changes are proposed to address the shift in demand away from certain commercial uses and to provide for additional residential and live/work options, as well as retail and restaurant options designed to integrate the outdoors and new outdoor recreational opportunities into the DOZ. Additionally, the 2021 DOZ Amendments include the continuation of the DO Zones to the south and east to add a new "Waterfront Overlay District" ("DO-7 Zone") to allow for development on or near a newly created publicly accessible waterfront. Collectively, the 2021 DOZ Amendments (the "Proposed Action") are intended to continue the successful growth within the entire DOZ while re-balancing the potential development impacts of a revised TDS.

The analysis examines the economic and fiscal impacts that are anticipated to occur through the implementation, construction and annual operations of the revised TDS, intended to continue growth within various zoning districts within the City's downtown and waterfront.

Greybarn Sayville (Sayville, NY)

NPV has updated this fiscal and economic impact analysis for the Greybarn-Sayville Planned Development District (PDD) as part of the Draft Environmental Impact Statement (DEIS). The proposed project is on the site of a former Country Club, a 114.33-acre property in the hamlet of Sayville of the Town of Islip. The proposed project will include the development of 1,365 multi-family residential rental units, on-site stormwater and sanitary wastewater treatment systems, connections to the public water supply, recreational and commercial amenities (limited to the site's residents, and including small retail/commercial spaces, interior open spaces, outdoor pool/patio areas, and an internal walking trail network), and a 25±-acre public open space along the perimeter of the site, in which a pedestrian path is proposed. The proposed project also includes expanded wastewater treatment capabilities for wastewater from downtown Sayville, and installation of a sewer main from downtown Sayville to the on-site sewage treatment plant (STP).

The project responds to the public need for increased quality rental housing opportunities in the area. The proposed project has been designed using smart growth development principles, by incorporating features and characteristics including internal walkability, sense-of-place features, safe and convenient pedestrian access to on-site amenities (within the site and limited to use of the site's residents), and on-site recreational amenities for its residents. In addition, the proposed project will create strong economic activity by providing jobs and a solid tax base.

Concern for Independent Living (Southampton, NY)

NPV prepared a fiscal and economic impact summary to examine the fiscal and economic impacts that are anticipated to occur through the construction and annual operations of a proposed residential development with 60 workforce rental apartment units to be located on County Road 39 in the Village of Southampton. Due to the generally affluent nature of the south fork of Long Island, and many parts of Southampton in particular, the demand for workforce housing units in Southampton is strong, and there is documented need for this type of housing in the community. The proposed project responds to the Town's and community's desire to provide such rental housing opportunities in the area, as recognized in various comprehensive planning documents and evidenced by current conditions within the surrounding community.

There also remains an unmet demand for veteran housing, including housing for disabled veterans who may have a need for accessible housing and supportive services. The units will be comprised of 36 one-bedroom and 24 two-bedroom apartment units, and the proposed project will also include a 5,000 square foot (SF) community building with a gym, computer room, and community room for use by residents and staff, as well as service provision for the supportive housing units. All of the units will be designated as "affordable" units under the Town Code and will be occupied by households that meet applicable economic standards as administered by the Town. A portion of the units will be occupied by veterans, including disabled veterans and disabled veterans in need of support. The project will benefit the community by transforming an overgrown and littered site into attractive, high-quality workforce housing that will enhance the community. As economic stability returns following the coronavirus pandemic of 2020, the proposed project is expected to contribute to the long-term economic health of the community.

Superblock Long Beach (Long Beach, NY)

NPV prepared a Fiscal Impact Analysis and a Household Buying Power Analysis for a residential development in Long Beach, New York. This analysis will assist the developer in quantifying the fiscal impact that the new residential development will have on the local tax base, and the economic impact that new household spending will have on the local economy. Economic impact including construction and operational job creation was addressed in detail in the Economic Impact Summary Analysis prepared by NPV earlier in 2020. This analysis examines the fiscal impacts and the household spending that is anticipated to occur during annual operations of a new residential development including: 200 one- and two-bedroom condominiums; and, 238 market-rate and workforce studio, one- and two-bedroom rental units.

Prior to the coronavirus pandemic of 2020, the condominium market in Long Beach has been quite attractive, with a strong demand and a supply of such housing units proximate to the boardwalk, and/or with water views. The rental market has suffered from a dearth of new transit-oriented communities. The proposed residential development is responsive to this demand in Long Beach, and as economic stability returns, is expected to contribute to the long-term economic health of the community through the provision of such newly constructed luxury housing opportunities. The proposed residential development is expected to create strong economic activity by providing a solid tax base upon completion and full taxation of the project. The new residents living within the 200 condominiums and 238 rental units proposed for development will patronize downtown establishments, bringing significant new disposable income to the merchants in the community. Consumer activity will ripple through the local community, creating beneficial fiscal and economic impacts throughout Long Beach, Nassau County, and the region as a whole. Consequently, economic activity including job creation and

consumer buying power will be generated by the project.

Storage Deluxe (Valley Stream, NY)

NPV prepared a market feasibility, fiscal and economic impact summary analysis for a commercial storage facility in Valley Stream, New York. This analysis examines the feasibility in the local market, as well as fiscal and economic impacts that are anticipated to occur through the construction and annual operations of a new four-story, 140,000 square foot (SF) commercial storage facility. With the decline in the number of warehouse facilities in the region, and rising commercial rents, many companies can no longer afford large warehouses. Such businesses have nowhere to store their inventory, which is a major roadblock to their success and growth. The proposed commercial storage facility is responsive to this need and anticipates serving the needs of hundreds of local businesses in Valley Stream and surrounding communities, in a cost-effective manner.

The proposed commercial storage facility will create strong economic activity by providing new employment opportunities and will provide a tax revenue and/or payment in lieu of taxes. The analysis served to accompany the IDA application to the Town of Hempstead.

RD Industrial Site (Yaphank, NY)

NPV prepared a series of economic and fiscal calculations as part of the Land Use Application being prepared for a 47+ acre project site is located the hamlet of Yaphank, Town of Brookhaven. The proposed project includes the development of two one-story distribution warehouses, as well as a three-story self-storage building. For the purpose of this analysis, it was assumed that both distribution warehouse buildings will be occupied by a mix of industrial and office uses, with a split of 90%/10% favoring pure industrial use.

As economic stability returns following the coronavirus pandemic of 2020-21, the proposed project is expected to contribute to the long-term economic health of the community. More specifically, the proposed project will establish many new construction and operational jobs that will help in the pre- and post-pandemic recovery, as well as a solid tax base upon full build-out and full-taxation of the property.

Canoe Place Inn and Hampton Boathouses (Hampton Bays, NY)

The Canoe Place Inn (CPI) has a longstanding history and serves as an important part of the character of the Hampton Bays community. The rehabilitation the formerly vacant CPI included synergistic uses on the site reminiscent of its history, working together to draw interest for destination weddings, charity events, business conferences and other special events.

In the 2014 preparation of the Environmental Impact Statement, NPV prepared a Fiscal Impact Analysis and Assessment of Needs and Benefits for the Canoe Place Inn and Hampton Boathouses properties. The study examined and quantified the beneficial impacts to the local school district as well as the generation of annual property tax revenues. Moreover, the analysis projected the economic impacts – on output, employment and labor income – during both the construction period and annually, upon a stabilized year of operations of the rehabilitated CPI and residential project components. NPV also prepared a Residential Market Analysis for the Hampton Boathouses property on Shinnecock Canal. The analysis analyzed the relationship between the demand for, and supply of, comparable residential developments and ultimately,

quantified the amount and type of housing units that could be supported by the target market – including both those for year-round residents and seasonal residents.

In 2019, NPV prepared a Market Feasibility Analysis for CPI, for submission to the Suffolk County Industrial Development Agency (SCIDA) for tax deferral and other financial assistance. The analysis examined the demand for CPI, the local and regional tourism market and forecasted growth, and determined that CPI will establish a tourism destination that is likely to attract a significant number of visitors from outside the economic development region, and therefore eligible for SCIDA assistance.

Danford's Hotel, Marina & Spa: Economic Planning Analysis (Port Jefferson, NY)

Danford's Hotel, Marina & Spa is an integrated water-dependent facility in Port Jefferson, New York, and is referred to as "the anchor of Port Jefferson." The hotel, marina, spa and restaurant are inter-related uses that support recreational/commercial boating, marine trades, marine material suppliers and related industries. The combined facility is an economic engine for Port Jefferson and the region, with the annual maintenance to, and operations of, the facility creating strong economic activity. An abundant amount of consumer activity ripples through the

local community, contributing vastly to the economy of downtown Port Jefferson, and into the Town of Brookhaven, Suffolk County and the region as a whole.

NPV prepared an Economic Planning Analysis that quantified the beneficial economic impacts associated with Danford's Hotel, Marina & Spa. The analysis examined the direct, indirect and induced impacts on output, employment and labor income, during the annual maintenance and repair construction of the facility, as well as during annual operations of the hotel, marina & spa.

TopGolf Market Feasibility Analysis (Holtsville, New York)

Topgolf is a global sports and entertainment community, which was first launched in the United States in 2005. It has served as the pioneer in the golf entertainment industry ever since. The most recent location in Holtsville, NY includes a 65,000 square foot, state-of-the-art, multi-level golf entertainment complex, and allows for a unique experience that can be enjoyed year-round. No such facility currently exists on Long Island. The synergistic uses provided at the Topgolf Holtsville location will work together to draw interest for local residents, college students and employers, as well as persons originating from outside of the area for patronage, corporate and charity events, business conferences and other special activities. This broad combination of guests will provide economic activity both at the site and into the surrounding community.

In 2016, NPV prepared a Economic and Fiscal Impact Analysis that examined and quantified the beneficial tax revenue benefits as well as economic impacts – on output, employment and labor income – during both the construction period and annually, upon a stabilized year of operations of the proposed Entertainment Recreation Facility. In 2019, NPV prepared a Market Feasibility Analysis for Topgolf, to accompany the Industrial Development Agency (IDA) application to the Town of Brookhaven. The analysis examined the strength of the regional entertainment recreation industry, the demand for this type of use, the lack of supply of comparable facilities in the local and regional economy, and various benefits that would be accrued to the local economy and community at large, through the annual operations of the Topgolf project. The analysis concluded that

Topgolf would provide a combined entertainment and recreation facility, that but for the project, would not be reasonably available to the residents of the Town of Brookhaven or Suffolk County, and therefore it was deemed eligible and appropriate for IDA assistance.

***Economic Development Chapter of the Comprehensive Plan Update
(Town of Southold)***

In an effort to achieve the Town's vision, five goals and numerous objectives were formed to provide direction for future decision-making pertaining to the Town's economy. Much of the Town's economic vitality is based on the Town's unique rural, historic and maritime-based character as well as its natural resources. NP&V prepared the economic chapter of the Comprehensive Plan Update for the Town of Southold to allow for the formation of appropriate recommendations and implementation strategies focused on long-term economic sustainability throughout the Town.

One of the specific tasks involved with the economic chapter of the Town's Comprehensive Plan is the zoning/build-out analysis. The Town of Southold is facing development pressure and is concerned about the impact that the current zoning may have on the Town's resources. The Town of Southold prepared a build-out analysis of several zoning districts, and NP&V funneled these findings into a model to assess the regional impact of full build-out and modified development scenarios. Ensuring quality of life, protection of environmental resources, housing needs and maintenance of the tax base were key elements of the model. This project involved the creation of a model to synthesize multiple evaluation factors to analyze the impact of full build out of the Town of Southold under its current zoning.

Niche Market and Branding Plan & Build-Out/Tax Base Analysis(Bellport, NY)

NPV worked with the Town of Brookhaven on a niche market and branding plan for the Greater Bellport community. The focus of this plan was to form a set of recommendations that outlined the necessary steps that members in the Greater Bellport community can take in order to successfully create a sense of place, community pride and positive perceptions through a more niche-oriented position in the local market. NPV recommended various initiatives to make the Greater Bellport community unique and marketable, creating a place that people want to be, where people are comfortable, and a place that people remember and come back to time and again. The niche market and branding plan strives to promote the community's niche market to new residents, visitors and economic development opportunities alike, offering the Greater Bellport community the opportunity to develop a theme that they want to be known for. NPV worked with the Town of Brookhaven on a build-out/tax base analysis, to analyze how the local school district could be impacted by growth. NPV created a GIS model to compare tax assessments for various land use scenarios to ensure an adequate tax base to support increased growth in school population without disproportionate increases in residential tax rates. This model was used to test assumptions for future development and to analyze various alternatives in an automated fashion, allowing for easy comparison of scenarios and results. Ultimately, the model will provide a reality check for future planning with respect to provision of quality community services and may provide support for creating additional commercial tax base within the district.

Williams Realty Holdings LLC
355 Sills Road
Yaphank, NY 11980
(516) 728-2132

April 25, 2022

Town of Brookhaven Industrial Development Agency
1 Independence Hill
Farmingville, NY 11738

Attn: Lisa Mulligan
CEO of Brookhaven IDA and LDC

Re: Lease Extension of CADCAM Labs LLC

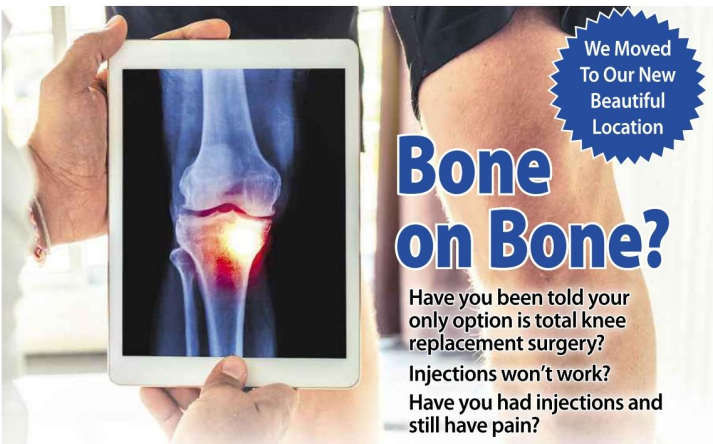
Ms. Mulligan,

Our tenant, CADCAM Labs LLC, is seeking to extend their lease for another two years. Kindly let us know what our next steps would be with regard to getting approval from the Industrial Development Agency pertaining to this matter.

Best regards,

A handwritten signature in blue ink, appearing to read 'Richard W. Tully, Jr.', with a long horizontal flourish extending to the right.

Richard W. Tully, Jr.
President



We Moved To Our New Beautiful Location

Bone on Bone?

Have you been told your only option is total knee replacement surgery? Injections won't work? Have you had injections and still have pain?

A revolutionary, new, non-surgical treatment called Viscosupplementation Therapy is providing hope and relief for many knee pain sufferers. Offered by the medical doctors at Joint Relief Associates of New York, this procedure is minimally invasive, requires no surgery and can provide immediate and long-lasting results.

If you are experiencing any of these symptoms in your knees or joints chances are your pain is due to Osteoarthritis and you may be a candidate for care.

- **Pain:** joints may ache, or the pain may feel burning or sharp. For some, the pain comes and goes. Constant pain or pain while sleeping may be a sign that your arthritis is getting worse.
- **Stiffness:** getting up in the morning can be hard. Joints may feel stiff and creaky until you get moving. You may also get stiff from sitting.
- **Muscle Weakness:** The muscles around the joint may get weaker. This happens a lot with arthritis in the knee.
- **Swelling:** Arthritis can cause swelling in joints, making them feel tender and sore.
- **Deformed Joints:** Joints can start to look like they are the wrong shape.
- **Reducing Range of Motion and Loss of Use in the Joint:** You may not be able to fully bend, flex or extend your joints or use them at all.
- **Cracking and Creaking:** Joints may make crunching, creaking sounds

Many of our patients have seen these symptoms reduced or eliminated after receiving Viscosupplementation Therapy. Until recently, the only advice for many suffering from knee and joint pain was to try

• Exercise • Physical therapy • Pain Pills • Muscle Relaxers • Pain shots • Dangerous surgery

If these treatments provided little to no relief or didn't provide lasting relief, or you are afraid to try them, you may still be a candidate for Viscosupplementation Therapy.

HOW IT WORKS

We use high tech x-ray equipment called fluoroscopy to accurately identify problem areas. Viscosupplementation is then injected into the knee, acting like a lubricant and shock absorber, restoring the cushioning and lubricating properties of a normal, younger knee. Most patients report little pain or discomfort. Hyaluronic Acid is a natural substance that mimics the joint's synovial fluid. In patients with osteoarthritis, synovial fluid "dries up" allowing the cartilage of the joint to rub against itself and other surfaces causing pain, inflammation, and in most cases damage to the joint.

CALL TO FIND OUT IF THIS TREATMENT IS RIGHT FOR YOU

The American Academy of Rheumatology recommends the use of Viscosupplementation Therapy for treatment of Osteoarthritis of the knee. But to be clear, not everyone with knee pain is a good candidate for this highly effective, **NO surgery, NO drug** method. Our doctors will let you know if you qualify for this safe and effective treatment. To accommodate demand, we have opened our schedule to the first 17 callers to receive a "no cost" consultation.

"Prior to starting treatment at Joint Relief Associates of New York, I suffered with severe pain in both my right and left knees to the point where I couldn't walk steps at all. Now, after treatment I'm totally pain free, playing golf 2-3x per week with no problem. My experience was excellent on all levels-very professional and efficient. I would recommend Joint Relief Associates of New York to anyone with knee problems..."
 -Dr. Allen P., Age 79, Hewlett, NY

- This Treatment is Covered by most insurance companies including Medicare and Medicaid!
- Treatment is safe, effective and requires NO surgery
- Call Us Today to schedule your appointment!
516.590.7410

"Risk Free" Consultation
 Offer valid for any individual seeking relief of chronic knee pain. Imaging, physical examination and other services necessary to determine candidacy may be required. Not all individual will qualify for Viscosupplementation Therapy. Call us Today!

Joint Relief Associates
 of New York NY nyjointrelief.com
 516-590-7410 • 4160 Merrick Road Suite 3, Massapequa, NY

NEWSDAY, THURSDAY, MAY 19, 2022 newsday.com

OUR TOWNS



The North Fork Express charter bus depot occupies a 2.2-acre lot on Hawkins Avenue.

RONKONKOMA

Input sought on eminent domain

Brookhaven Town IDA to vote on whether to seize bus company

BY CARL MACGOWAN
Carl.Macgowan@newsday.com

The Brookhaven Town Industrial Development Agency board will vote in a month or more on a proposal to seize a bus company by eminent domain to clear the path for part of the \$750 million Ronkonkoma Hub project.

Chairman Frederick C. Braun III told Newsday the board would await the findings of IDA lawyers, who will prepare a summary of arguments for and against the plan, after supporters and opponents of the condemnation spoke Wednesday during a two-hour online public hearing.

The hub project, part of which was completed two years ago, calls for construction of hundreds of apartments and new shops, restaurants and offices on 53 acres around the Ronkonkoma Long Island Rail Road station. Backers have said the project would revitalize a blighted neighborhood.

But officials of East Setauket developer Tritec Real Estate said part of the plan is blocked by the North Fork Express charter bus company, which occupies a 2.2-acre spot at Hawkins and Railroad avenues.

"We have paid above appraisal prices" to purchase other land for the project, Tritec principal James L. Coughlan said at the hearing. "It is critical that the board keeps moving this

project forward."

North Fork Express owner Greg Mensch said Tritec had refused to offer a fair price for the land. Mensch said exorbitant real estate prices would make it difficult for the company to relocate.

"No one wants a bus terminal in their backyard," Mensch told the board. "I could lose my business."

Condemnation is a legal process by which governments take property for public works projects such as roads and parks or certain private developments deemed to be in the public interest.

Property owners may appeal condemnation decisions and are owed fair market value if their land is taken. Market values are determined by appraisers.

Tritec spokesman Christopher Kelly said last week the company has purchased 15 tax lots covering about 20 acres, or almost 40% of the land needed for the project.

Supporters of the project, including labor unions and nearby business owners, said it brings jobs to the community and transforms a desolate section of Suffolk County.

"To stop that project would be a travesty," said Phil Sorrentino of Lake Grove. "We want that area cleaned up."

Susan Edwards of Holbrook said she supports the project but added that the bus company should get "a full and fair market value" for its land. "For them to lose everything they have worked for . . . would be a really bad hardship all around," she said.

The IDA board on Dec. 8 approved condemnation of more than a dozen other parcels. Kelly said Tritec is "in positive negotiations with many of the [other] property owners."

JAMES CARBONE

Suffolk comptroller raps club lease

Kennedy: County's agreement for 262 acres needed value assessment

BY MARK HARRINGTON
mark.harrington@newsday.com

Suffolk County “failed to comply” with state law by granting an exclusive lease for 262 wooded acres to a sportsmen’s club before conducting a fair-market value assessment, an analysis by Suffolk Comptroller John Kennedy found.

In a letter to the executive director of Suffolk’s auditing service, Kennedy concluded that the lease, which was also approved by the county legislature four years before it expired, was likely granted to the Peconic River Sportsman’s Club “for less than fair-market value.” The first-year price, he noted, amounts to 11 cents an acre per day.

A spokeswoman for Suffolk County didn’t immediately respond to a request for comment.

The letter notes that state law authorizes the county to lease the property specifically for fair market value for the purpose of “maintaining, operating and managing the property as open or green space and buffer area.” A fair market value assessment is also a condition of a resolution passed by the legislature in approving the lease, Kennedy noted.

“However, we found no evidence that a fair-market analysis or appraisal was performed by the county or that fair market value was established by any other means,” Kennedy wrote. Additionally, he wrote, the county resolu-

WATCHDOG

tion and resulting lease contained “no valid justification for the establishment of the rental fees” paid by the club.

Kennedy’s own analysis showed the new lease, which is set to take effect in May 2025, has an annual rental fee for the first year of \$10,469, a figure that increases 3% a year. That initial amount corresponds to \$872 a month for the 262 acres, he found, or 11 cents a day per acre.

“We conclude that the county failed to comply with the requirements of New York State Law,” Kennedy wrote, and “puts into question the validity” of the legislative resolution approving it.

In addition, Kennedy wrote, “it is also quite possible that the county is leasing the subject property for less than fair

market value.” Newsday last year filed a Freedom of Information Law request for any records of a fair market assessment of the property by the county but records keepers found no documents responsive to the request.

John Armentano, an attorney for the Peconic River Sportsman’s Club, noted that more than half the leased property is water or wetland, and located in the core pine barrens “with very limited or no development potential. However, the Peconic River Sportsman’s Club is committed to paying fair-market value for the use of the property.”

Newsday first reported about objections to the county’s renewed lease agreement with the sportsmen’s club in October. The lease bars visitors to the property without the consent of the club, conditions that don’t take effect until 2025. The

woodland is fenced and signs say the property is off limits. It includes a near mile-long stretch of the Peconic River that non-club members and their visitors haven’t seen for more than a quarter century.

Conservationist John Turner of Setauket first raised questions about lack of access at county hearings on the lease resolution last year. On Wednesday he called the comptroller’s finding a “fatal flaw” in the agreement.

“If ever the county needed a justification to get out of a lease, the comptroller just provided it,” Turner said. “Sweet-heart deals can stink and this one does.”

Turner said Suffolk residents have been denied unfettered access to the property and the comptroller’s finding suggests that “taxpayers have not been made financially whole by the relationship, as required by law.”

Suffolk seeks to yield rights to parkland for Sunrise wind farm

BY MARK HARRINGTON
mark.harrington@newsday.com

The Suffolk County Legislature on Wednesday unanimously passed a measure requesting the State Legislature to authorize it to relinquish rights to more than 100 acres of county parkland, some permanently, for the construction and operation of a wind-farm’s underground power cables.

The county home-rule resolution calling for the so-called alienation of the parkland — at Smith Point County Park, the Smith Point Marina and Southaven County Park — is the first step in a process to allow Denmark-based Orsted and its partner Eversource to connect its 924-megawatt Sunrise Wind project to the Long Island Power Authority grid by 2025.

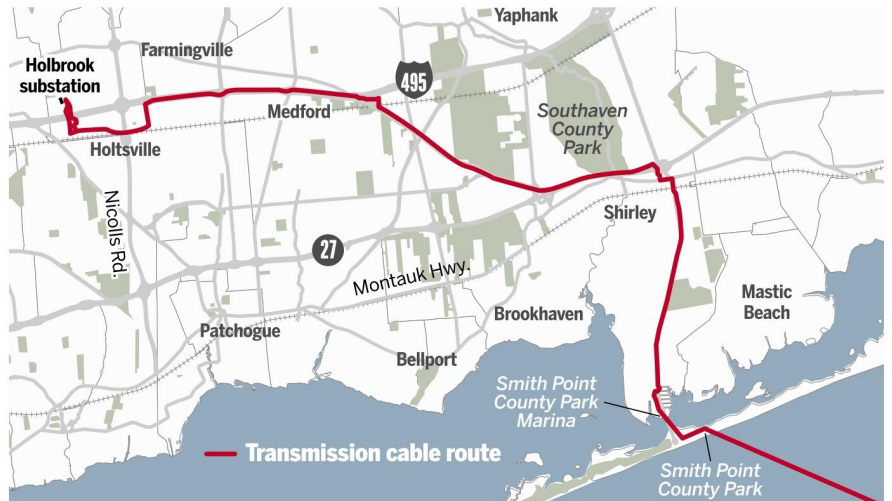
Some of the property would be temporarily leased to the wind farm during construction of the land-based cable, while other portions would be permanently conveyed to Sunrise Wind under the alienation

process, which requires a fair-market value assessment.

Suffolk’s measure, which the county legislature approved 17 to 0 during a special meeting Thursday, would allow Suffolk to “discontinue use” of certain parkland parcels and grant short- and long-term rights to Sunrise to build, maintain and operate underground conduits, joint bays and link boxes under the parkland. A Suffolk lawmaker said the agreement also would include small utility buildings on certain park parcels.

Bills in the State Senate and Assembly, which are expected to be voted on in the current session, contemplate temporary alienation of three parcels — 86 acres for use during construction and 15 additional acres that would be permanently alienated.

The resolution doesn’t explain why a permanent easement is needed for the project, including why it would run beyond Sunrise Wind’s 25-year power purchase agreement. Sunrise Wind, in a statement,



said there will be “no restrictions placed on the property to residents who use it once construction is completed.” The company declined to provide any information about its potential payments for the land rights, saying it’s “not yet public.”

Suffolk County Executive Steve Bellone, in a statement, called the legislative approval Thursday an “incremental step” in the process of approving the plan, but not the last. “There will be other resolutions before the legislature to

consider the agreements that the county will enter into with Sunrise Wind for the actual use of the property, which will be subject to public input.”

Suffolk Presiding Officer Kevin McCaffrey (R-Lindenhurst), in an interview, said the legislature in the past has “just given this land to utilities for overhead power lines or whatever they need to service the public.”

“It’s a public benefit, it’s something new, it’s renewable energy,” McCaffrey said of the wind farm, with many of the

benefits expected to be negotiated between Sunrise and the Town of Brookhaven. Either way, he said, “We are not looking for a windfall here.”

State and local lawmakers have been supportive of the Sunrise Wind project and cable, which will traverse 17.5 miles from the beach under Smith Point County Park, up William Floyd Parkway and the Long Island Expressway to a LIPA substation in Holbrook. The cable will bring power from wind arrays in the waters off the Massachusetts/Rhode Island coast.

Williams Realty Holdings LLC
355 Sills Road
Yaphank, NY 11980
(516) 728-2132

May 17, 2022

Town of Brookhaven Industrial Development Agency
1 Independence Hill
Farmingville, NY 11738

Attn: Lisa Mulligan
CEO of Brookhaven IDA and LDC

Re: Williams Realty Holdings LLC Sales Tax Exemption Extension
355 Sills Road, Yaphank

Ms. Mulligan,

With regard to the sales tax exemption status on the above mentioned property, I am requesting an extension through October 31, 2022 for additional renovations.

The anticipated renovation costs for Williams Realty Holdings LLC are \$70,000 while anticipated renovation costs for Interstate Mechanical Services are \$5,000.

I thank you in advance for your prompt attention to this matter.

Kindly let me know if there is anything else you may need from me.

Best regards,

A handwritten signature in black ink, appearing to be "Richard W. Tully, Jr.", written over a horizontal line. The signature is stylized and somewhat illegible.

Richard W. Tully, Jr.
President

cc: Terri Alkon

April 20th, 2022

Board of Directors
Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

Re: Jones Ventures LLC-Solar Panel's Project

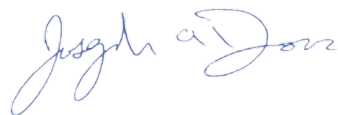
To Whom It May Concern,

As you may be aware, since we have been a part of the Brookhaven IDA program our business has been very successful and growing rapidly. Because of the program, we have been able to hire additional staff leading to a tripling of our work force over the last few years.

However, our IDA benefits will be coming to an end in a few years, which will ultimately result in additional expenses to our business. With these additional expenses, we have searched for areas where we can save on other expenses. With the addition of solar, we will be able to greatly reduce our utility bill, which in turn will offset the additional real estate taxes and thus make it more affordable to continue our business where we are located now at 22 Old Dock Road, Yaphank NY 11980. With that in mind, we are kindly requesting approval to move forward with installing solar panels on our building. We will also need to replace our roof to obtain the warranty on the solar panels. We are working with two reputable contracting companies, SuNation for the solar and A-1 Roofing for the roof.

We thank you in advance for your consideration and the support you have provided us. If you have any questions, please feel free to reach out to me or my controller at the contact information below.

Very truly yours,



Joe Dovi
Owner & Managing Member
Jones Ventures, LLC
(631) 590-1040 Ext. 220
joed@icolorprint.com

Russell Seyffarth
Controller
(631) 590-1040 Ext. 203
russells@icolorprint.com