

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

DATE: 6/6/2022

APPLICATION OF: Peconic River Energy Storage, LLC DBA North Street Energy Storage  
Name of Owner and/or User of Proposed Project

ADDRESS: 1780 Hughes Landing Boulevard, Suite 675  
The Woodlands, TX 77381

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**

I. Owner Data:

A. Owner (Applicant for assistance): Peconic River Energy Storage, LLC d/b/a North Street Energy Storage

Address: 1780 Hughes Landing, Suite 675  
Woodlands, TX 77318

Federal Employer ID #: [REDACTED]

Website: https://www.pluspower.com

NAICS Code: 221118

Project Website: https://www.northstreetenergystorage.com/

Owner Officer Certifying Application: Oscar Dalton

Title of Officer: Vice President

Phone Number: [REDACTED]

B. Business Type:

Sole Proprietorship  Partnership  Limited Liability Company

Privately Held  Public Corporation  Listed on \_\_\_\_\_

State of Incorporation/Formation: Delaware

C. Nature of Business:

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

Energy Storage Developer and System Owner

D. Owner Counsel:

Firm Name: Hodgson Russ LLP

Address: 140 Pearl Street  
Buffalo NY 14202

Individual Attorney: Daniel A. Spitzer

Phone Number: 716 848 1420

E-mail: Dspitzer@hodgsonruss.com

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

Name	Percent Owned
Energy Storage Resources, LLC	100%
_____	_____
_____	_____

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.

No

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:

Energy Storage Resources, LLC (100% direct ownership)

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**

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K. List major bank references of the Owner:

**Chase Bank, 1500 Polk St., Floor 1 San Francisco, CA 94109**

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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"): As provided herein.

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: Delaware

C. Nature of Business:

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

Transmission connected energy storage.

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
Energy Storage Resources, LLC	100%
_____	_____
_____	_____

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.

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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:

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J. List parent corporation, sister corporations and subsidiaries:

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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:

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L. List major bank references of the User:

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**Part II – Operation at Current Location**

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

1. Current Location Address: None

2. Owned or Leased: Leased

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

None

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

Transmission connected battery energy storage.

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: No current operating facilities in

New York.

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: Applicant's parent has development  
facilities in other states.

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

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

Absent the assistance from the IDA, the project economics are substantially reduced and less financially viable.

9. Number of full-time employees at current location and average salary (indicate hourly or yearly salary):

0



**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: 62, 68, and 74 Weeks Avenue, Manorville, New York 11949 See attached schedule A.

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

C. Municipal Jurisdiction:

i. Town: Brookhaven  
ii. Village: Hamlet : Manorville  
iii. School District: Eastport-South Manor Central School District

D. Acreage: 4.44

3. Project Components (check all appropriate categories):

A. Construction of a new building  Yes  No

i. Square footage: 4.44 acres - Battery enclosures plus equipment

B. Renovations of an existing building  Yes  No

i. Square footage: \_\_\_\_\_

C. Demolition of an existing building  Yes  No

i. Square footage: 2500 sq. ft.

D. Land to be cleared or disturbed  Yes  No

i. Square footage/acreage: \_\_\_\_\_

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: \_\_\_\_\_

Battery enclosures containing battery cells, electrical equipment.

4. Current Use at Proposed Location:

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

i. If no, please list the present owner of the site: See Schedule A

- B. Present use of the proposed location: Vacant, former industrial and residential site, commercial

building on site is outside lease, it will remain

- 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

Three leases

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: This is a stand alone battery energy storage system that will enhance grid flexibility.

Energy storage technology manages variations in power generation by storing

excess energy and injecting it back into the grid when it is needed.

- B. Proposed product lines and market demands:

Provides energy and ancillary services to enable more renewable energy

generation to enter energy markets.

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:

None

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

Standalone battery storage projects can reduce the need for energy generated by fossil fuel generation sources and help balance pricing to minimize price spikes for electricity customers.

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?

New York State recently announced a energy storage deployment target of 6 GW by 2030.

This project will help the State meet this goal and is also an essential part of the State's efforts to reduce greenhouse gas emissions and expand grid resiliency.

6. Project Work:

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

- i. Site Clearance: Yes  No  % COMPLETE
ii. Foundation: Yes  No  % COMPLETE
iii. Footings: Yes  No  % COMPLETE
iv. Steel: Yes  No  % COMPLETE
v. Masonry: Yes  No  % COMPLETE
vi. Other:

B. What is the current zoning? Industrial

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

Yes [checked] 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: Lease options in place

ii. Construction/Renovation/Equipping: Tentative completion Q2 2024.

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:

9 - 12 months.

**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	\$ _____
Building(s) demolition/construction	\$ <u>8,969,467</u>
Building renovation	\$ _____
Site Work	\$ <u>1,037,428</u>
Machinery and Equipment	\$ <u>134,509,507</u>
Legal Fees	\$ <u>100,000</u>
Architectural/Engineering Fees	\$ <u>1,100,000</u>
Financial Charges	\$ _____
Other (Specify)	\$ <u>13,702,467 (construction management, contingency, overhead)</u>
<b>Total</b>	<b>\$ <u>159,415,586</u></b>

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:

	<u>Amount</u>	<u>Term</u>
A. Tax-exempt bond financing:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ <u>127,532,468.64</u>	<u>15</u> years
D. SBA (504) or other governmental financing:	\$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans:	\$ _____	_____ years
G. Owner/User equity contribution:	\$ <u>\$31,883,117.16</u>	_____ years
<b>Total Project Costs</b>	<b>\$ <u>\$159,415,586</u></b>	

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.

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:

**No**

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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 funds borrowed through the Agency**

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

**No specific term sheets yet**

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**Part V – Project Benefits**

1. Mortgage Recording Tax Benefit:

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

\$ \$127,532,468.64

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

\$ \$9,564,935.15

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):

\$ \$134,509,507

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

\$ \$11,635,072.34

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

i. Owner: \$ \$11,635,072.34

ii. User: \$ (no owner/user arrangement)

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: No

- B. Agency PILOT Benefit:

i. Term of PILOT requested: 20 years

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**

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

Present number of employees: 0 \_\_\_\_\_ Date \_\_\_\_\_ Average Annual Salary of Jobs to be Retained \_\_\_\_\_  
 First Year: 2025 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Full-time	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5
Part-time													

Second Year: 2026 (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Full-time	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5
Part-time													

Number of Residents of LMA:

Full-Time: .5  
 Part-Time: \_\_\_\_\_

**Cumulative Total Employees After Year 2** .5

\* 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	120,000	30,000
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers	40,000	10,000

What is the annualized salary range of jobs to created? 40,000 to 120,000

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

The Project is not financially viable without tax exemptions; these exemptions make a significant

difference in the Project economics.

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?

The Applicant will likely not be able to construct the Project. The Municipality will lose the steady stream of annual PILOT payments as well as local construction jobs, the regional benefits to the electric system will be lost and New York State's ability to meet its energy storage goals will be impacted.

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 AMD

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 AMD

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 AMD

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 AMD

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 JMD

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 JMD

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 JMD

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 JMD

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 JMD

**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).

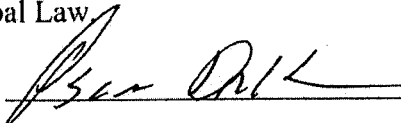
a. The completion of the entire project will not result in the removal of an industrial or manufacturing plant of the project occupant from one are of the stat to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state.

Representative of the Applicant:  

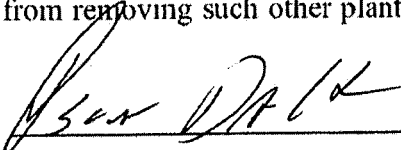
b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state because 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.

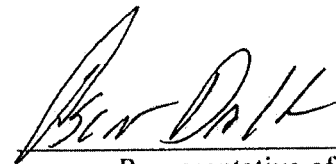
Representative of the Applicant: 

**Part X – Certification**

Oscar Dalton (name of representative of entities submitting application) deposes and says that he or she is the Vice President (title) of Peconic River Energy Storage LLC, d/b/a North Street Energy Storage, 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 in formation 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.

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

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

*Please see attached Junr*

**\*\* 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 \*\***

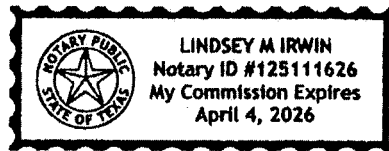
JURAT

The State of Texas

County of Montgomery

Subscribed and sworn to before me on this 13 day of July, 2022  
by Oscar Dalton.

(Seal)



Lindsey Irwin  
(Notary's Signature)  
Notary Public, State of Texas

THE UNIVERSITY OF CHICAGO  
LIBRARY  
540 EAST 57TH STREET  
CHICAGO, ILL. 60637



**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 31<sup>st</sup> of each year, or in two equal payments due January 31<sup>st</sup> and May 31<sup>st</sup> of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31<sup>st</sup>** of any year or **May 31<sup>st</sup>** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

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

Schedule A  
Project Property Information

Address	SBL #	Owner
62 Weeks Avenue, Manorville NY 11949	0200-558.00-01.00-002.000	Sparrow Holding Corp.
68 Weeks Avenue, Manorville NY 11949	0200-558.00-01.00-003.000	68 Weeks Ave Co, LLC
74 Weeks Avenue, Manorville NY 11949	0200-558.00-01.00-004.000	74 Weeks Ave Co., LLC

Schedule B

Part IV Question 3 Incurred Costs to Date

Approximately \$300,000 has been spent on engineering, legal and other services to plan and permit the project. No construction costs.



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

DATE: \_\_\_\_\_

APPLICATION OF: R Squared Patchogue LLC  
Name of Owner and/or User of Proposed Project

ADDRESS: 85 South Service Road  
Plainview, NY 11803

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.

## INDEX

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

**Part I: Owner & User Data**

1. Owner Data:

A. Owner (Applicant for assistance): R Squared Patchogue LLC

Address: 85 South Service Road  
Plainview, NY 11803

Federal Employer ID # [REDACTED] Website: www.rechlerequity.com

NAICS Code: 531120

Owner Officer Certifying Application: Gregg Rechler

Title of Officer: Member

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

B. Business Type:

Sole Proprietorship  Partnership  Limited Liability Company

Privately Held  Public Corporation  Listed on \_\_\_\_\_

State of Incorporation/Formation: Delaware

C. Nature of Business:

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

real estate holding company

D. Owner Counsel:

Firm Name: Germano & Cahill, P.C.

Address: 4250 Veterans Memorial Highway  
Holbrook, NY 11741

Individual Attorney: Guy W. Germano

Phone Number: (631)588-8778 E-mail: gwg@germanocahill.com

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

Name	Percent Owned
<u>Mitchell Rechler</u>	<u>36% (indirect)</u>
<u>William D. Rechler Trust FBO Gregg Rechler</u>	<u>36% (indirect)</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.

NA

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:

The individuals listed in E above, through their real estate holding company Rechler Equity Partners and related limited liability companies own or control and operate more than 100 industrial/office or multi-family housing properties on Long Island.

I. List parent corporation, sister corporations and subsidiaries:

Please refer to paragraph H above.

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:

TD Bank, 324 South Service Road, Melville, NY 11747;  
Brian Terry (631)962-2539

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"): NA

Address: \_\_\_\_\_

Federal Employer ID #: \_\_\_\_\_ Website: \_\_\_\_\_

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

User Officer Certifying Application: NA

Title of Officer: \_\_\_\_\_

Phone Number: \_\_\_\_\_ E-mail: \_\_\_\_\_

B. Business Type: NA

Sole Proprietorship  Partnership  Privately Held

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

State of Incorporation/Formation: \_\_\_\_\_

C. Nature of Business: NA

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

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

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: NA

Address: \_\_\_\_\_  
\_\_\_\_\_

Individual Attorney: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

F. Principal Stockholders or Partners, if any:

Name	Percent Owned
<u>NA</u>	_____
_____	_____
_____	_____

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

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

NA  
\_\_\_\_\_  
\_\_\_\_\_

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

NA  
\_\_\_\_\_  
\_\_\_\_\_

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.

NA

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:

NA

J. List parent corporation, sister corporations and subsidiaries:

NA

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:

NA

L. List major bank references of the User:

NA

**Part II – Operation at Current Location**

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

1. Current Location Address: NA - the Applicant is a new stand-alone LLC purchasing the Premises to develop

2. Owned or Leased: NA a 91 unit multi family residential apartment.

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

NA

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

NA

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

Yes  No

A. If yes, list the Address: The individuals listed in Part 1D above through their real estate company Rechler Equity Partners and related limited liability companies own or control and operate more than 100 industrial/office multi-family housing properties on Long Island.

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: NA - related companies lease technology, business office, manufacturing warehouse space and residential multi-family dwellings throughout the Long Island area.

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:

NA

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

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

NA

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

A. Please explain: NA

9. Number of full-time employees at current location and average salary (indicate hourly or yearly salary):

NA



**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: N/S/O East Main Street (Montauk Highway)

B. Tax Map: District 200 Section 977.5 Block 2 Lot(s) 28, 30, 31.1, 31.2,  
32, 33, 34 & 35

C. Municipal Jurisdiction:

i. Town: Brookhaven  
ii. Village: NA  
iii. School District: Patchogue-Medford UFSD

D. Acreage: 3.42

3. Project Components (check all appropriate categories):

- A. Construction of a new building  Yes  No  
i. Square footage: \_\_\_\_\_
- B. Renovations of an existing building  Yes  No  
i. Square footage: \_\_\_\_\_
- C. Demolition of an existing building  Yes  No  
i. Square footage: 33,214
- D. Land to be cleared or disturbed  Yes  No  
i. Square footage/acreage: 3.42
- 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; kitchen, laundry and bath fixtures and appliances**

4. Current Use at Proposed Location:

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

- i. If no, please list the present owner of the site: East Main Street Ventures of NY, LLC and Ann-Gelo LTD \_\_\_\_\_

B. Present use of the proposed location: **vacant commercial buildings**

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

The applicant has entered into a purchase agreement for the property subject to all approvals.

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: Proposed project involves the redevelopment of the subject parcels, including demolition of all existing structures and

construction of multi-family rental apartment building including 91 apartments (mix of 1-bedrooms and 2-bedrooms)

in a 3-story building with associated parking, swimming pool and outdoor amenity area, dog park, -See Addendum

B. Proposed product lines and market demands: **NA**

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:

91 residential apartments. unit sizes: 1 bedroom 850+/- sf; 2 bedroom 1,150+/- sf.

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

The Town of Brookhaven with the adoption of the East Patchogue overlay district recognized the need for greater residential density (multi-family apartments) to better balance the transition from the commercial district to adjoining residential areas and to provide for needed housing close to downtown Patchogue. The applicant's primary real estate holdings are industrial, office, technology and warehouse buildings, multiple family housing - See Addendum

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?

See addendum

6. Project Work:

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

- i. Site Clearance: Yes  No  % COMPLETE \_\_\_\_\_
- ii. Foundation: Yes  No  % COMPLETE \_\_\_\_\_
- iii. Footings: Yes  No  % COMPLETE \_\_\_\_\_
- iv. Steel: Yes  No  % COMPLETE \_\_\_\_\_
- v. Masonry: Yes  No  % COMPLETE \_\_\_\_\_
- vi. Other: \_\_\_\_\_

B. What is the current zoning? J-6 East Patchogue Incentive Overlay District

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

Yes  No

With appropriate variances

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

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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: July 2022

ii. Construction/Renovation/Equipping: August 2022

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: August 2024

---

**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>4,368,000</u>
Building(s) demolition/construction	\$ <u>29,192,381</u>
Building renovation	\$ _____
Site Work	\$ _____
Machinery and Equipment	\$ <u>422,500</u>
Legal Fees	\$ <u>387,500</u>
Architectural/Engineering Fees	\$ <u>1,462,266</u>
Financial Charges	\$ <u>6,549,756</u>
Other (Specify)	\$ <u>4,312,575</u>
<b>Total</b>	<b>\$ <u>46,694,978</u></b>

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:

	<u>Amount</u>	<u>Term</u>
A. Tax-exempt bond financing:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ _____	_____ years
D. SBA (504) or other governmental financing:	\$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans:	\$ <u>42,025,480</u>	_____ years
G. Owner/User equity contribution:	\$ <u>4,669,498</u>	_____ years
<b>Total Project Costs</b>	<b>\$ <u>46,694,978</u></b>	

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.

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:

NA

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

NA

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

NA

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**Part V – Project Benefits**

1. Mortgage Recording Tax Benefit:

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

\$ 42,025,480

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

\$ 315,191.10

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):

\$ 17,768,929

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

\$ 1,537,012.30

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

i. Owner: \$ NA

ii. User: \$ NA

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: NA

B. Agency PILOT Benefit:

i. Term of PILOT requested: 15 Years

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**

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

Present number of employees: 0 \_\_\_\_\_ 0 \_\_\_\_\_

First Year: 2025 (fill in year) \*see Addendum to this section Part VI Employment Data attached

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Full-time	2												2
Part-time	0												0

Second Year: \_\_\_\_\_ (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
Full-time	2												2
Part-time	0												0

Number of Residents of LMA:

Full-Time: 2  
Part-Time: 0

**Cumulative Total Employees After Year 2** 2

\* 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	\$75,000	\$10,949
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers		

What is the annualized salary range of jobs to created? \$70,000 to \$80,000

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

See project description attached as addendum to Part VII

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

See project description attached as addendum to Part VII

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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 RR

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 RR

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 RR

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 RR

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 JK

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 JK

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 JK

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 JK

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 JK

**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 are of the stat 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:  \_\_\_\_\_

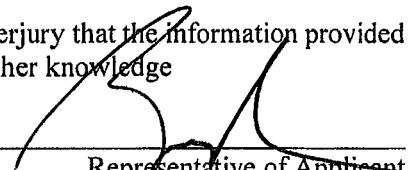
**Part X – Certification**

Gregg Rechler (name of representative of entities submitting application) deposes and says that he or she is the Manager (title) of R Squared Patchogue 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.

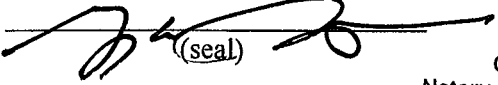
Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the “Applicant”) and to bind the Applicant. The grounds of deponent’s belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as in formation 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 30<sup>th</sup>  
Day of June, 20 22

  
(seal)

GUY W. GERMANO  
Notary Public, State of New York  
No. 02GE5006335  
Qualified in Suffolk County  
Commission Expires March 9, 2023

**\*\* 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 31<sup>st</sup> of each year, or in two equal payments due January 31<sup>st</sup> and May 31<sup>st</sup> of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31<sup>st</sup>** of any year or **May 31<sup>st</sup>** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

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

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

DATE: July 6<sup>th</sup>, 2022

APPLICATION OF: Yaphank Energy Storage, LLC  
Name of Owner and/or User of Proposed Project

ADDRESS: 422 Admiral Blvd  
Kansas City, MO 64106

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

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

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

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

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

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

## INDEX

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

**Part I: Owner & User Data**

1. Owner Data:

A. Owner (Applicant for assistance): Yaphank Energy Storage, LLC


Address: 422 Admiral Blvd  
Kansas City, MO 64106


Federal Employer ID #: \_\_\_\_\_ Website: \_\_\_\_\_

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

Owner Officer Certifying Application: Scott Zeimetz

Title of Officer: Authorized Person

Phone Number: 

E-mail: 

B. Business Type:

Sole Proprietorship  Partnership  Limited Liability Company

Privately Held  Public Corporation  Listed on \_\_\_\_\_

State of Incorporation/Formation: Delaware

C. Nature of Business:

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

Energy storage developer

D. Owner Counsel:

Firm Name: Weinberg, Gross & Pergament LLP

Address: 400 Garden City Plaza  
Garden City, New York 11530

Individual Attorney: Howard R. Gross, Esq.

Phone Number: 516-877-2424

E-mail: hgross@wgplaw.com



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

Name	Percent Owned
Shell New Energies US LLC	100%
_____	_____
_____	_____
_____	_____

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. See Addendum A.

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

No. See Addendum A.

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:

N/A

I. List parent corporation, sister corporations and subsidiaries:

Shell New Energies US LLC owns 100% of Savion.

Shell USA, Inc. owns 100% of Shell New Energies US LLC

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

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K. List major bank references of the Owner:

CrossFirst Bank

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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"): N/A

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")

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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 (5% or more equity):

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

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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:

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J. List parent corporation, sister corporations and subsidiaries:

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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:

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L. List major bank references of the User:

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**Part II – Operation at Current Location**

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

1. Current Location Address: n/a

2. Owned or Leased: n/a

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

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

n/a

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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: \_\_\_\_\_

Proposed new facility to meet the State of New York's Energy Storage goals to provide reliable energy to strengthen LIPA's grid thereby improving LIPA's electric service reliability.

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- 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: \_\_\_\_\_  
Project locations have and are being evaluated in other locations and municipalities throughout the United States.

---

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

A. Please explain: \_\_\_\_\_  
The proposed project is not currently economically feasible without assistance of the IDA and other locations in the Northeast are being evaluated where benefits are available.

---

9. Number of full-time employees at current location and average salary (indicate hourly or yearly salary):

\_\_\_\_\_  
\_\_\_\_\_



- G. Installation of machinery and/or equipment  Yes  No  
i. List principal items or categories of equipment to be acquired: Electrical  
Transformer, Electrical Inverters, Electrical control equipment, energy storage containers, batteries,  
and other project supporting equipment required for the energy storage project.

4. Current Use at Proposed Location:

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

- i. If no, please list the present owner of the site: Northwoods 68 Corporation

B. Present use of the proposed location: undeveloped

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: The proposed energy storage project will provide energy storage capability for LIPA's power grid.

The project is responding to LIPA's need for grid strengthening and to provide certainty

during peak energy usage.

B. Proposed product lines and market demands: \_\_\_\_\_

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:

N/A

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

See Answer to 5.A. In addition, this project is needed to address the State of New York's mandate to obtain

3,000 megawatts of energy storage by 2030.

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?

Energy storage projects are often considered non-wires alternatives, providing grid flexibility, resiliency, and stability to the operating electrical network. This project is proposed to provide many of these services to LIPA. Energy storage can also be charged with renewable energy and dispatched at times when offshore wind/solar are not producing. Energy storage is thus compatible and necessary to support the State's aggressive green energy initiatives.

6. Project Work:

A. Has construction work on this project begun? If yes, complete the following: NO

i. Site Clearance:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% COMPLETE	_____
ii. Foundation:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	_____
iii. Footings:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	_____
iv. Steel:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	_____
v. Masonry:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	_____
vi. Other:	_____			

B. What is the current zoning? L1

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: \_\_\_\_\_

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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: n/a

ii. Construction/Renovation/Equipping: 2024-25

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: Due to the interconnection processes, the project will commence

construction in or around 2024.

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**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>n/a</u>
Building(s) demolition/construction	\$ <u>n/a</u>
Building renovation	\$ <u>n/a</u>
Site Work	\$ <u>\$33,000,000</u>
Machinery and Equipment	\$ <u>n/a</u>
Legal Fees	\$ <u>500,000</u>
Architectural/Engineering Fees	\$ <u>500,000</u>
Financial Charges	\$ <u>n/a</u>
Other (Specify)	\$ <u>74,000,000</u>
<b>Total</b>	<b>\$ <u>108,000,000</u></b>

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:

	<u>Amount</u>	<u>Term</u>
A. Tax-exempt bond financing:	\$ <u>N/A</u>	<u>      </u> years
B. Taxable bond financing:	\$ <u>N/A</u>	<u>      </u> years
C. Conventional Mortgage:	\$ <u>86,400,000</u>	<u>unknown</u> years
D. SBA (504) or other governmental financing:	\$ <u>N/A</u>	<u>      </u> years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>N/A</u>	
F. Other loans:	\$ <u>N/A</u>	<u>      </u> years
G. Owner/User equity contribution:	\$ <u>21,600,000.00</u>	<u>      </u> years
<b>Total Project Costs</b>	<b>\$ <u>108,000,000</u></b>	

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.

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

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

N/A

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

N/A

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**Part V – Project Benefits**

1. **Mortgage Recording Tax Benefit:**

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

\$ 86,400,000

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

\$ 648,000

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):

\$ 108,000,000

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

\$ 9,315,000

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

i. Owner: \$ n/a

ii. User: \$ n/a

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: No

B. Agency PILOT Benefit:

i. Term of PILOT requested: 20 years

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**

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

Present number of employees: 0 \_\_\_\_\_ Date \_\_\_\_\_ Average Annual Salary of Jobs to be Retained \_\_\_\_\_  
 First Year: 0 \_\_\_\_\_ (fill in year)

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

Second Year: 0 \_\_\_\_\_ (fill in year)

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

Number of Residents of LMA:

Full-Time: 0  
 Part-Time: 0

**Cumulative Total Employees After Year 2** 0

\* 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		
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers		

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  See Addendum A

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

The successful economics of the project rely on the benefits from the IDA.

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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?

The Applicant would not complete the project.

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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 SZ

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 SZ

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 SZ

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 SZ

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   SZ  

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   SZ  

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   SZ  

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   SZ  

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   SZ



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

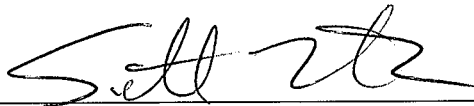
1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report).
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, 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).**

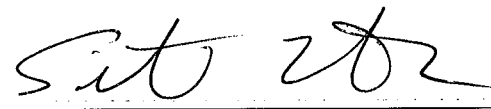
a. The completion of the entire project will not result in the removal of an industrial or manufacturing plant of the project occupant from one are of the stat to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state.

Representative of the Applicant: 

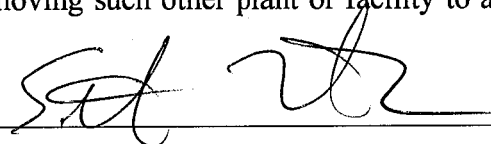
b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state because 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: \_\_\_\_\_

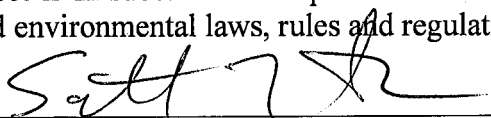
2. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New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

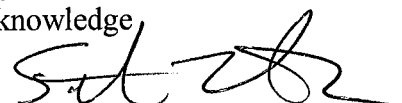
**Part X – Certification**

Scott Zeimetz (name of representative of entities submitting application) deposes and says that he or she is the Authorized Person (title) of Yaphank Energy Storage, 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.

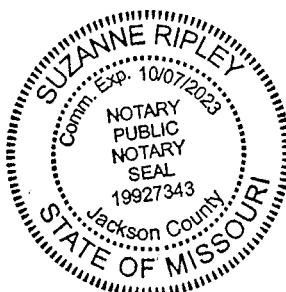
Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the “Applicant”) and to bind the Applicant. The grounds of deponent’s belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as in formation 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 6th  
Day of July, 2022  
Suzanne Ripley  
(seal)



**\*\* 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.

**SCHEDULE A**

**Town of Brookhaven Industrial Development Schedule of Fees**

Application -	\$2,000 for projects with total costs under \$5 million \$4,000 for projects with total costs \$5 million and over
Closing/Expansion Sale/Transfer -	¾ of one percent up to \$10 million total project cost and an additional 1/8 of a percent on any project costs in excess of \$10 million. Projects will incur a minimum charge of \$7,500 plus all publication and legal fees.
Annual Administrative -	\$1,000 administrative fee payable with PILOT.
Termination –	Between \$750 and \$2,000
Refinance –	1/10 <sup>th</sup> of one percent of transaction price (project cost) or \$2,500, whichever is greater.
Late PILOT Payment –	5% penalty, 1% interest monthly, plus \$1,000 administrative fee.
Processing Fee -	\$250 per hour with a minimum fee of \$250

Notes:

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

Updated: June 15, 2016

**SCHEDULE 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 31<sup>st</sup> of each year, or in two equal payments due January 31<sup>st</sup> and May 31<sup>st</sup> of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31<sup>st</sup>** of any year or **May 31<sup>st</sup>** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

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

## **Addendum A to Yaphank Energy Storage Project IDA Application**

Applicant notes that in making the representations in Item F on Page 4 and Question 2 on Page 17 of the Application, Applicant did not undertake an investigation of Applicant's affiliates (other than its sole member, Savion, LLC), officers, or management, and except for representations regarding Applicant and Savion, LLC, no representation is made regarding any other affiliates, officers, or management of Applicant.

**Addendum B to Yaphank Energy Storage Project IDA Application**

<b>Site Work</b>	
Civil/Site Work	\$
Concrete Pads	\$
Access Road(s)	\$
Electrical Infrastructure	\$
<b>TOTAL</b>	\$ 33,000,000.00
<b>Other</b>	\$ -
Batteries	\$
Software	\$
Containers	\$
Inverters	\$
Transformers	\$
<b>TOTAL</b>	\$ 74,000,000.00

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

DATE: 7/17/2022

APPLICATION OF: BLSF, LLC dba Brookhaven Landfill Solar Farm, LLC  
Name of Owner and/or User of Proposed Project

ADDRESS: 707 Westchester Avenue, Suite 116  
White Plains, NY 10604

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.

IDA benefits may not be conferred upon the Company until the Lease and Project Agreement have been executed.

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**Part I: Owner & User Data**

1. Owner Data:

A. Owner (Applicant for assistance): BLSF, LLC dba Brookhaven Landfill Solar Farm, LLC

Address: 707 Westchester Avenue, Suite 116  
White Plains, NY 10604

Federal Employer ID #: [REDACTED]

Website: www.ionrenewables.com

NAICS Code: 221114

Owner Officer Certifying Application: Daniel Prokopy

Title of Officer: Owner & CEO

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: \_\_\_\_\_

C. Nature of Business:

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

Solar Development Company

D. Owner Counsel:

Firm Name: none

Address: \_\_\_\_\_

Individual Attorney: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

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

Name	Percent Owned
<u>i.on renewables, 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.

Daniel Prokopy

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:

n.a.

I. List parent corporation, sister corporations and subsidiaries:

i.on renewables, LLC (parent corporation)





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:

IDA Application for "Pennysaver Solar, LLC" - solar project at Pennysaver Amphitheater

K. List major bank references of the Owner:

TD Bank NA

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"): n.a.

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.

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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:

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J. List parent corporation, sister corporations and subsidiaries:

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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:

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L. List major bank references of the User:

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**Part II – Operation at Current Location**

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

1. Current Location Address: 350 Horseblock Road, Yaphank, NY 11719

2. Owned or Leased: lease with Town of Brookhaven

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):  
approximately 30 acres on capped landfill

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

installation and operation of approximately 8.64 MWdc solar PV array

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: generating solar energy feeding into

PSEG Long Island local grid

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 equivalent employees (FTE's) at current location and average salary (indicate hourly or yearly salary):

1 LLC Member with no salary compensation; no additional full-time employees required or anticipated

**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: 350 Horseblock Road, Yaphank, NY 11719

B. Tax Map: District listed Section listed Block listed Lot(s) list attached

C. Municipal Jurisdiction:

i. Town: Brookhaven

ii. Village: Hamlet of Yaphank

iii. School District: South County Central School District

D. Acreage: ca. 30 acres

3. Project Components (check all appropriate categories):

A. Construction of a new building  Yes  No

i. Square footage: \_\_\_\_\_

B. Renovations of an existing building  Yes  No

i. Square footage: \_\_\_\_\_

C. Demolition of an existing building  Yes  No

i. Square footage: \_\_\_\_\_

D. Land to be cleared or disturbed  Yes  No

i. Square footage/acreage: \_\_\_\_\_

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: \_\_\_\_\_

BP

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

solar PV array installation, containing steel racking system, solar panels, inverters and further electrical equipment

4. Current Use at Proposed Location:

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

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

- B. Present use of the proposed location: closed area of Brookhaven Landfill

- 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

Lease Agreement with Town of Brookhaven

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: \_\_\_\_\_

Applicant is planning to install approximately 8.64 MWdc solar PV array on capped area of landfill

- B. Proposed product lines and market demands: \_\_\_\_\_

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:

n.a.

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

Generating renewable energy which will benefit the Lond Island community and Town of Brookhaven

Applicant received two awards under the PSEG FIT V solar community program

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?

The purpose of the project is to build a renewable energy generating facility in form of a ballast block

solar PV array on top of the capped area of the Brookhaven Landfill

6. Project Work:

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

- i. Site Clearance: Yes  No  % COMPLETE
ii. Foundation: Yes  No  % COMPLETE
iii. Footings: Yes  No  % COMPLETE
iv. Steel: Yes  No  % COMPLETE
v. Masonry: Yes  No  % COMPLETE
vi. Other:

B. What is the current zoning? residential

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: not required

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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: lease executed 07/07/2022

ii. Construction/Renovation/Equipping: construction to commence Q4-2022

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: proposed start of construction is scheduled for Q4 2022,

project completion is expected to occur in Spring 2023

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**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>none</u>
Building(s) demolition/construction	\$ <u>none</u>
Building renovation	\$ <u>none</u>
Site Work	\$ <u>2,592,000 (labor costs)</u>
Machinery and Equipment	\$ <u>6,501,600 (solar equipment)</u>
Legal Fees	\$ <u>35,000</u>
Architectural/Engineering Fees	\$ <u>85,000</u>
Financial Charges	\$ _____
Other (Specify)	\$ <u>2,982,502 (interconnection costs PSEG LI)</u>
Total	\$ <u>12,196,102</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:

	<u>Amount</u>	<u>Term</u>
A. Tax-exempt bond financing:	\$ <u>no</u>	_____ years
B. Taxable bond financing:	\$ <u>no</u>	_____ years
C. Conventional Mortgage:	\$ <u>no</u>	_____ years
D. SBA (504) or other governmental financing:	\$ <u>no</u>	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>2,395,536 (ITC)</u>	
F. Other loans:	\$ <u>no</u>	_____ years
G. Owner/User equity contribution:	\$ <u>2,587,092</u>	_____ years
Total Project Costs	\$ <u>12,196,102</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.

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:

**none**

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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**

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

**n.a.**

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Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

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

\$ 12,196,102

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

\$ 91,471

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):

\$ 6,501,600

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

\$ 560,763

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

i. Owner: \$ n.a.

ii. User: \$ n.a.

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: \_\_\_\_\_

B. Agency PILOT Benefit:

i. Term of PILOT requested: 30 years

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

1. List the Applicant's and each user's present employment and estimates of (i) employment at the proposed project location, not just new employment, 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 the second year following completion:

Present number of FTEs \*\*: 0 \_\_\_\_\_  
 Date \_\_\_\_\_ Average Annual Salary of Jobs to be Retained \_\_\_\_\_  
 FTEs to be Created in First Year: \_\_\_\_\_ (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													0

FTEs to be Created in Second Year: \_\_\_\_\_ (fill in year)

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
FTE													0

Number of Residents of LMA:

Full-Time: \_\_\_\_\_

Part-Time: \_\_\_\_\_

Cumulative Total FTEs \*\* After Year 2 \_\_\_\_\_

Construction Jobs to be Created: ca. 30 \_\_\_\_\_

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

**\*\* To calculate FTEs (Full-Time Equivalent Employees) please use the following example: if an organization considers 40 hours per week as full-time and there are four employees who work 10 hours each per week, the cumulative hours for those employees equal 1 FTE.**

2. Salary and Fringe Benefits:

Category of Jobs to be Created	Average Salary	Average Fringe Benefits
Salary Wage Earners	n.a.	n.a.
Commission Wage Earners	n.a.	n.a.
Hourly Wage Earners	n.a.	n.a.
1099 and Contract Workers	n.a.	n.a.

What is the annualized salary range of jobs to created? n.a. \_\_\_\_\_ 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

project is subject to property, sales and mortgage tax exemption. Without these exemption, project will not

move forward

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?

Project will be terminated. Town of Brookhaven will not receive lease payments

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 DP

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 DP

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 DP

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 DP

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 DP

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 DP

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 DP

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 DP

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 DP

### **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 are of the stat 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:

David Polunsky

- 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:

David Polunsky

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:

David Polunsky

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:

David Polunsky

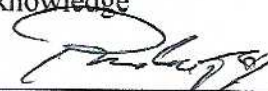
**Part X – Certification**

Daniel Prokopy \_\_\_\_\_ (name of representative of entities submitting application) deposes and says that he or she is the Owner & CEO (title) of BLSF, LLC dba Brookhaven Landfill Solar Farm, 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

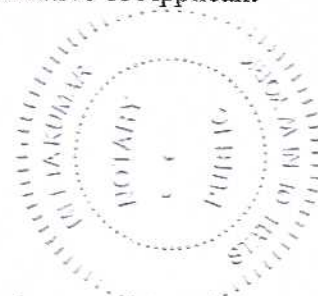


Representative of Applicant

Sworn to me before this 18<sup>th</sup>  
Day of July, 2022  
Meeta Kumar  
(seal)



(MEETA KUMAR  
01/18/22



**\*\* 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 31<sup>st</sup> of each year, or in two equal payments due January 31<sup>st</sup> and May 31<sup>st</sup> of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31<sup>st</sup>** of any year or **May 31<sup>st</sup>** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.



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



Engineers | Scientists | Planners | Designers  
www.vhb.com

## Congratulations, Winners!

### **Top Entertainment Project: Topgolf, Holtville**

LIBN 2022 Real Estate, Architecture  
& Engineering Awards

## TOP ENTERTAINMENT PROJECT

### **PROJECT: TOP GOLF IN HOLTVILLE TIMOTHY SHEA, CERTILMAN BALIN DAVE BUTTACAVOLI, VHB**

Topgolf's Holtville location is the first-of-its-kind on Long Island, and its success has already unlocked future opportunities for expansion into other Long Island municipalities.

Topgolf is part of ongoing efforts by the Town of Brookhaven and Suffolk County to transform Long Island communities along its major traffic and industrial corridors, providing premier entertainment and community resources for residents and visitors.

Bringing a complex project like Topgolf Holtville to completion required a coordinated, collaborative partnership among VHB, the land use attorney, the Town of Brookhaven, Suffolk County authorities, and the Federal Aviation Administration.



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

DATE: \_\_\_\_\_

APPLICATION OF: \_\_\_\_\_  
Name of Owner and/or User of Proposed Project

ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

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.

## INDEX

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

**Part I: Owner & User Data**

1. Owner Data:

A. Owner (Applicant for assistance): \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Federal Employer ID #: [REDACTED] Website: \_\_\_\_\_

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

Owner Officer Certifying Application: \_\_\_\_\_

Title of Officer: \_\_\_\_\_

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: \_\_\_\_\_

C. Nature of Business:

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

\_\_\_\_\_

D. Owner Counsel:

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Individual Attorney: \_\_\_\_\_

Phone Number: \_\_\_\_\_ E-mail: \_\_\_\_\_

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

Name	Percent Owned
_____	_____
_____	_____
_____	_____

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)

\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_

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.

\_\_\_\_\_  
\_\_\_\_\_

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:

\_\_\_\_\_  
\_\_\_\_\_

I. List parent corporation, sister corporations and subsidiaries:

\_\_\_\_\_  
\_\_\_\_\_

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:

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---

K. List major bank references of the Owner:

---

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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:

---

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**Part II – Operation at Current Location**

*\*\* (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:

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---

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

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

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

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

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9. Number of full-time employees at current location and average salary (indicate hourly or yearly salary):

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# FourGen-S LLC

## Addendum 1 to the FORM APPLICATION FOR FINANCIAL ASSISTANCE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY

### Part II – Operation at Current Location

#### Question #5A

5. Are other facilities or related companies of the Applicant located within the State?  
A. If yes, list the Address:

Addresses	Description
225 Broad Hollow Rd, Suite 212W Melville, NY 11747	Corporate Headquarters
146 Beach Street Port Jefferson, NY 11777	Owned property, subleased to Miller Marine
600 Beach Street Port Jefferson, NY 11777	Port Jefferson Dock location
Sheldrake Avenue Port Jefferson, NY 11777	Vacant Land; S.C.T.M. No.: DIST. 0206, SEC. 07, BLK 01, LOT 6 AND 7
19 North Belle Meade Road East Setauket, NY 11733	East Setauket Terminal location
100 Upper Sheep Pasture Road, East Setauket, NY 11733	Residential property adjacent to Setauket terminal
96 Upper Sheep Pasture Road, East Setauket, NY 11733	Residential property adjacent to Setauket terminal
586 Union Avenue Holtsville, NY 11743	Holtsville Terminal location

Entity	Ownership	FEIN
NIC Holding Corp	100%	11-3577086
NIC Capital, LLC	100%	Use NIC FEIN
Northville Industries Corp	100%	11-1801730
Northville Petroleum Pipeline Corp	100%	47-1198126
Northville Dock Pipe Line Corp	100%	11-2120451
FourGen LLC	100%	87-2787478
FourGen-H LLC	100%	87-2808565
FourGen-S LLC	100%	87-2787478
Brookhaven REH LLC	100%	35-2678902
Laurel Ridge REH LLC	100%	30-1218896

**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: \_\_\_\_\_

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

C. Municipal Jurisdiction:

- i. Town: \_\_\_\_\_  
ii. Village: \_\_\_\_\_  
iii. School District: \_\_\_\_\_

D. Acreage: \_\_\_\_\_

3. Project Components (check all appropriate categories):

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

B. Renovations of an existing building  Yes  No  
i. Square footage: \_\_\_\_\_

C. Demolition of an existing building  Yes  No  
i. Square footage: \_\_\_\_\_

D. Land to be cleared or disturbed  Yes  No  
i. Square footage/acreage: \_\_\_\_\_

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: \_\_\_\_\_

\_\_\_\_\_

4. Current Use at Proposed Location:

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

- i. If no, please list the present owner of the site: \_\_\_\_\_

B. Present use of the proposed location: \_\_\_\_\_

\_\_\_\_\_

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: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

B. Proposed product lines and market demands: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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:

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

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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?

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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 type="checkbox"/>	% COMPLETE	_____
ii. Foundation:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	_____
iii. Footings:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	_____
iv. Steel:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	_____
v. Masonry:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	% COMPLETE	_____
vi. Other:	_____			

B. What is the current zoning? \_\_\_\_\_

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: \_\_\_\_\_

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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: \_\_\_\_\_

ii. Construction/Renovation/Equipping: \_\_\_\_\_

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: \_\_\_\_\_

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**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	\$ _____
Building(s) demolition/construction	\$ _____
Building renovation	\$ _____
Site Work	\$ _____
Machinery and Equipment	\$ _____
Legal Fees	\$ _____
Architectural/Engineering Fees	\$ _____
Financial Charges	\$ _____
Other (Specify)	\$ _____
<b>Total</b>	<b>\$ _____</b>

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:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ _____	_____ years
D. SBA (504) or other governmental financing:	\$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans:	\$ _____	_____ years
G. Owner/User equity contribution:	\$ _____	_____ years
<b>Total Project Costs</b>	<b>\$ _____</b>	

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

\_\_\_\_\_

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.

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:

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

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

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**Part V – Project Benefits**

1. Mortgage Recording Tax Benefit:

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

\$ \_\_\_\_\_

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

\$ \_\_\_\_\_

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):

\$ \_\_\_\_\_

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

\$ \_\_\_\_\_

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: \_\_\_\_\_

B. Agency PILOT Benefit:

i. Term of PILOT requested: \_\_\_\_\_

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**

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

Present number of employees: \_\_\_\_\_ Date \_\_\_\_\_ Average Annual Salary of Jobs to be Retained \_\_\_\_\_

First Year: \_\_\_\_\_ (fill in year)

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

Second Year: \_\_\_\_\_ (fill in year)

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

Number of Residents of LMA:

Full-Time: \_\_\_\_\_

Part-Time: \_\_\_\_\_

**Cumulative Total Employees After Year 2** \_\_\_\_\_

\* 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		
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers		

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

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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?

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# **FourGen-S LLC**

## **Addendum to the FORM APPLICATION FOR FINANCIAL ASSISTANCE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY**

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

#### **Question #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).

Details of the “yes” response:

In November of 1987, the owner of the project site, Northville Industries Corp., an affiliate of the Applicant, discovered an underground leak of gasoline on its property. A spill case, #87-6573 was opened. A detailed investigation was pursued in concert with the New York State Department of Environmental Conservation (NYSDEC). On October 13, 1994, Northville Industries Corp. entered into an Order on Consent, File #R1-5375-93-06, with the NYSDEC. After years of remediation, the NYSDEC issued a No Further Action letter on June 16, 2006, having concluded that the actions set forth in the Order on Consent had been completed and no further remediation was required.

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 SK

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 SK

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 SK

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 SK

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 SK



### **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 are of the stat 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: \_\_\_\_\_

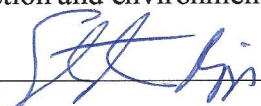
2. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New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

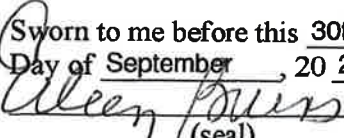
Stephen Ripp \_\_\_\_\_ (name of representative of entities submitting application) deposes and says that he or she is the President \_\_\_\_\_ (title) of FourGen-S LLC \_\_\_\_\_, the entities named in the attached application; that he or she has read the foregoing application and knows the contents 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 30th  
Day of September, 20 21  
  
\_\_\_\_\_  
(seal)

EILEEN BURNS  
Notary Public, State of New York  
No. 52-4749500  
Qualified in Suffolk County  
Commission Expires 1/31/2022

**\*\* 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 31<sup>st</sup> of each year, or in two equal payments due January 31<sup>st</sup> and May 31<sup>st</sup> of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31<sup>st</sup>** of any year or **May 31<sup>st</sup>** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

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

October 1, 2021

Frederick C. Braun III, Chairman  
Town of Brookhaven IDA  
1 Independence Hill  
Farmingville, NY 11738

Dear Chairman Braun,

FourGen-H LLC, a Delaware limited liability company (the "Company") is a wholly-owned subsidiary of NIC Holding Corp. ("NIC"). NIC, through its predecessor companies and subsidiaries, has owned and operated a network of petroleum and renewable fuel terminals in the Town of Brookhaven since the 1960s. This network includes the Holtsville Terminal at 586 Union Avenue, Holtsville, where the proposed project would be located. Owned by NIC's Northville Industries Corp. subsidiary, the Holtsville Terminal sits on three lots totaling 15 acres.

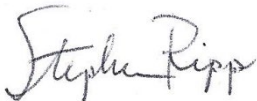
The proposed fuel cell installation would generate 920 kW of power on an approximately 2,000 square foot area of the Holtsville Terminal. Northville Industries Corp. will ground lease the area to the Company. The installation would be a community net meter "host", with its electricity production allocated to hundreds of small commercial and residential LIPA customers at a cost that represents a discount to LIPA's delivered cost of power.

This community net meter project is eligible for compensation under LIPA's applicable tariff for up to 25 years. Consequently, our request is for a 25-year property tax PILOT to provide property tax certainty for the life of the project. Currently this portion of the Holtsville Terminal is not providing any meaningful property tax revenue for the Town of Brookhaven. The project's cost is estimated at more than \$5,000,000, for which we are requesting an exemption from sales tax. This encompasses the costs of the fuel cell units along with the equipment supply and labor costs of installation. We will not be seeking the mortgage recording tax exemption.

The benefits of fuel cells are known to the IDA from having supported previous projects. In summary, they produce electricity significantly more efficiently and with many fewer pollutants than Long Island's power generation fleet on average. As distributed generation, the project contributes to electric grid resiliency. We anticipate approximately 8 construction jobs during the installation phase of the project. The on-site labor working on the project will be local. The Holtsville Terminal is manned 24/7 and on-site personnel will be able to monitor the operations of the fuel cells. As Northville's traditional petroleum fuels business declines as New York decarbonizes, the revenues from this project will support the terminal's fixed costs and the continued employment of the 12 individuals who staff it.

Thank you for your consideration. We welcome the opportunity to bring this exciting new business to the Town of Brookhaven.

Sincerely,



Stephen Ripp  
President, FourGen-H LLC



ANNUAL LUNCHEON

# SPONSORSHIP OPPORTUNITIES

*Together Towards Tomorrow*, honoring Jim Coughlan of Tritec Real Estate and his commitment to Long Island communities

October 27th, 2022 at 11:30am at Crest Hollow Country Club

**SAPPHIRE SPONSOR - \$25,000**

- Two (2) Premiere Tables of 10 with Table Sign
- Logo on Invitation, Program, Welcome Banner, & Advertising
- Recognition in 2019 Annual Report, Website, Press Release, and Social Media Outlets surrounding the event

**DIAMOND SPONSOR - \$20,000**

- Two (2) VIP Tables of 10 with Table Sign
- Logo on Invitation, Program, Welcome Banner, & Advertising
- Recognition in 2019 Annual Report, Website, Press Release, and Social Media Outlets surrounding the event

**PLATINUM SPONSOR - \$15,000**

- One (1) VIP Table of 10 with Table Sign
- Logo on Invitation, Program, Welcome Banner, & Advertising
- Recognition in 2019 Annual Report, Website, Press Release, and Social Media Outlets surrounding the event

**GOLD SPONSOR - \$10,000**

- One (1) Table of 10 with Table Sign
- Logo on Invitation, Program, & Advertising
- Recognition in 2019 Annual Report, Website, Press Release, and Social Media Outlets surrounding the event

**SILVER SPONSOR - \$5,000**

- One (1) Table of 10 with Table Sign
- Logo on Invitation, Program & Advertising

**COMMUNITY SPONSOR - \$3,000**

- Five (5) VIP Tickets
- Video
- Listing in Program & Advertising

**VIDEO SPONSOR - \$500**

- Logo & Website Listing in Video Presentation

**FULL PAGE JOURNAL AD \$1000**

**TICKET \$250**

**NONPROFIT TICKET \$175**

**HALF PAGE JOURNAL AD \$500**

I cannot attend, but please accept my donation of \$\_\_\_\_\_

**QUARTER PAGE JOURNAL AD \$250**

Name: \_\_\_\_\_ Company: \_\_\_\_\_

Address: \_\_\_\_\_ Phone #: \_\_\_\_\_

Email: \_\_\_\_\_

**Payment**

Credit Card:  Visa  MasterCard  American Express  Discover

Check (please make payable to CDCLI)

Card # \_\_\_\_\_

Expiration Date: \_\_\_\_\_ Security Code: \_\_\_\_\_

Register online at [www.cdcli.org](http://www.cdcli.org)

Please mail completed form with payment to:  
CDCLI, 2100 Middle Country Road, Centereach,  
NY 11720 - Attention: Marketing

## **Addendum**

### **Application of R Squared Patchogue LLC to Town of Brookhaven IDA**

#### **PART III 5.A. and PART VII 3. and 4.**

##### Project Description

- The Applicant intends to construct a 91-unit luxury apartment complex located at 303 Main Street, East Patchogue, NY, the location of the vacant and blighted Mediterranean Manor. The apartment complex provides a superior architectural design and will contain 46 one-bedroom apartments; 45 two-bedroom apartments; a club house; outdoor pool and courtyard. The project lies within the East Patchogue incentive overlay district, and supports the intent of the overlay district to provide “greater residential development opportunities with existing commercial uses”. The project also provides for the transfer of 1.0115-acre parcel, located at 313 East Main Street Patchogue, to the Town of Brookhaven with rights to construct a 11,800+/- square foot building in compliance with the community benefits provisions of the overlay district.
- The project will also comply with the Town’s the provision for the allocation of 10% of the units for work force housing and the Brookhaven IDA’s requirement for an additional 10% for affordable housing. In addition, a percentage of the workforce/affordable units will be set aside for individuals with developmental disabilities in consultation with the Suffolk County Planning Department and pursuant to a resolution of the Suffolk County Planning Commission.
- The agency’s assistance is necessary in order to assist the applicant with the remediation of the blighted site conditions, the construction of a new modern apartment complex containing 91 apartment units including 18 work force and affordable housing units; the provision of superior amenities including a large clubhouse, outdoor pool, courtyard, outdoor amenity area with dog park, and the dedication of a parcel on the south side of Montauk Highway across from the proposed project for use by the Town for a community benefit. Without the assistance of the agency, it is difficult to see how this uniquely situated transit-oriented project could be successfully built.

**Addendum to PART III 5.D.**

Rechler Equity Partners and its related companies currently owns more than 7 million square feet of industrial, office, technology, and warehouse buildings, which house a representative cross section of Long Island based businesses. Speaking with their tenants, Mitchell Rechler and Gregg Rechler recognized that there was a strong need for high quality rental homes to house the next generation of the Long Island Workforce. Thus, the Rechler's have added multi-family housing to their industrial portfolio in order to fill the need for rental housing to house the future employees for Long Island based businesses, a large portion of which work in Rechler buildings.

**Addendum to PART III 5. F.**

The Greybarn Patchogue Residences will utilize various energy conservation measures and green technologies to improve the performance of the building. The exterior envelope of the building utilizes continuous insulation and high-performance glazed windows, and insulated exterior doors to maximize the R-value in the exterior walls and reduce heat loss. As a result, the building exceeds energy code Enhanced Envelope performance requirements by 15%. All the interior lighting will be LED and equipped with occupancy sensors in the Common spaces to only come on when people are in the room. Each resident room will have a Nest thermostat to maintain comfort and minimize energy usage. Site lighting is also LED and dark sky compliant to minimize light pollution and minimize off-site disturbance to the surrounding area. Low VOC paints and adhesives will be used on the interior of the building to minimize indoor air pollution.

**Addendum to Part VI Employment Data**

<b>Construction</b>				
Impact	Employment	Labor Income	Value Added	Output
1 - Direct	143.80	\$16,469,792	\$23,481,637	\$32,939,584
2 - Indirect	22.67	\$1,562,773	\$2,577,025	\$4,146,581
3 - Induced	59.05	\$3,700,596	\$6,542,636	\$10,261,973
<b>Total</b>	<b>225.52</b>	<b>\$21,733,161</b>	<b>\$32,601,298</b>	<b>\$47,348,138</b>

<b>Operations</b>				
Impact	Employment	Labor Income	Value Added	Output
1 - Direct	2.00	\$171,899	\$2,183,960	\$3,404,430
2 - Indirect	2.88	\$255,046	\$496,265	\$792,633
3 - Induced	1.39	\$91,314	\$160,922	\$252,500
<b>Total</b>	<b>6.27</b>	<b>\$518,260</b>	<b>\$2,841,147</b>	<b>\$4,449,563</b>

Prepared by Nelson Pope & Voorhees

Daniel A. Spitzer  
Partner  
Direct Dial: 716.848.1420  
Direct Facsimile: 716.819.4650  
dspitzer@hodgsonruss.com



July 13, 2022

**Via E-mail to: [lmulligan@brookhavenny.gov](mailto:lmulligan@brookhavenny.gov)**

Town of Brookhaven Industrial Development Agency  
c/o Town of Brookhaven Division of Economic Development  
One Independence Hill  
Farmingville, NY 11738

To Whom It May Concern:

Peconic River Energy Storage, LLC, doing business as North Street Energy Storage (“North Street”) is pleased to submit an application for its North Street Energy Storage project for financial incentives to the Town of Brookhaven Industrial Development Agency (“IDA”). Peconic is a wholly owned subsidiary of Plus Power, an independent developer of transmission-connected battery energy storage projects. Plus Power develops, owns and operates standalone battery energy storage systems that foster grid flexibility by providing capacity, energy and ancillary services that enable rapid integration of renewable generation resources.

This project proposes installation and operation of a 150 MW/600 MWh Battery Energy Storage System (BESS) on 4.4 acres. The project will include associated infrastructure and approximately 5 acres of revegetation on a 12.86-acre site, on three parcels on Weeks Ave., in the Town of Brookhaven, approx. 181.50' S/o of South St., Manorville (Tax Map #s 0200-55800-0100-002000, 003000, and 004000). The project will play an important role in reducing greenhouse gas emissions by increasing grid resiliency and reducing the need for fossil fuel peaker plants (which are mainly located in environmental justice communities).

In addition to the many public benefits conferred by the energy storage system, the construction of the project will result in approximately 30-60 construction jobs. Construction is scheduled to begin in 2023 and is expected to be completed in 2024.

Energy storage has taken on increased importance as the State addresses climate change issues. The State will not be able to reach its decarbonization goals unless adequate storage is in place to allow renewables, which are of an intermittent nature, to serve as the primary source of energy. The State has recently increased its solar energy goals to 10 GW. Significant increases in energy storage are going to be essential to meeting that goal, particularly in areas where limited land availability and high prices mean there is inadequate space to provide the necessary renewable energy to serve the community’s needs.



Although New York State has prioritized energy storage projects, this project cannot move forward without financial assistance from the IDA. Like similarly situated renewable energy projects across the State, the real property taxation and sales tax expenses faced by the project would result in expenses that would prevent the project from being financially viable. This project is not receiving NYSEERDA or other state assistance. The financial assistance sought from the IDA will ensure North Street has the ability to move forward. The benefits of the project will be directly realized through the energy subscription program; further energy storage provides increased grid resiliency to the community.

Increased deployment of energy storage will support the goals of the New York State's Climate Leadership and Community Protection Act and help build a more sustainable future. We are pleased to have this opportunity to work with the IDA to promote energy storage, thereby reducing the cost of electricity and harmful effects of emissions on local communities.

Very truly yours,



Daniel A. Spitzer

DAS/dcb

# GERMANO & CAHILL, P.C.

Of Counsel to MEYER, SUOZZI, ENGLISH & KLEIN, P.C.

Guy W. Germano  
Michael J. Cahill  
G. William Germano, Jr.

Meghan Healy, *Of Counsel*  
Alyssa Solarsh-Sinatra, *Associate*

June 23, 2022

## Via First Class Mail

Ms. Lisa M.G. Mulligan, CEO  
Brookhaven Industrial Development Agency  
One Independence Hill  
Farmingville, NY 11738

Re: Application of R Squared Patchogue LLC  
Premises: Greybarn Patchogue Multi-Family Development  
303 E. Main Street, Patchogue, NY

Dear Ms. Mulligan:

Enclosed herewith is the signed original of the above-referenced Application. R Squared Patchogue LLC is managed by cousins Mitchell Rechler and Gregg Rechler, who also co-manage a related company, Rechler Equity Partners (“Company”).

The roots of the Company were started with William Rechler, the master developer of the 1600-acre Hauppauge Industrial Park in the 1960s. William’s sons, Donald and Roger founded Reckson Associates in 1968, pioneering office and industrial development throughout Long Island. Mitchell and Gregg joined their fathers in 1980, and today, co-manage a Long Island portfolio totaling more than 7 million square feet of industrial office, technology, warehouse and multi-family buildings.

Rechler Equity Partners’ headquarters is located in a modern office building at 85 South Service Road, Plainview, NY, where together with a staff of more than 30 planners, engineers, architects, environmental and real estate professionals, Mitchell and Gregg manage their existing portfolio and develop new projects for 21<sup>st</sup> Century Long Island companies and their employees. Greybarn Patchogue is one such new development project. For an in-depth look at Rechler Equity Partners, please visit their website at [www.rechlerequity.com](http://www.rechlerequity.com).

The Greybarn Patchogue development proposes a 91-unit luxury apartment complex located at 303 Main Street, East Patchogue, NY, the location of the vacant and blighted Mediterranean Manor. The apartment complex provides a superior architectural design and will contain 46 one-bedroom apartments; 45 two-bedroom apartments; a club house; outdoor pool and courtyard. The project lies within the East Patchogue incentive overlay district, and supports the intent of the overlay district to provide “greater residential development opportunities with existing

Attorneys at Law

4250 Veterans Memorial Highway • Suite 275 • Holbrook, NY 11741  
T: (631) 588-8778 • F: (631) 588-2550 • [www.germanocahill.com](http://www.germanocahill.com)

June 23, 2022

Page 2

commercial uses.” The project also provides for the transfer of 1.0115-acre parcel located at 313 East Main Street, Patchogue to the Town of Brookhaven, with rights to construct an 11,800+/- square foot building in compliance with the community benefits provisions of the overlay district.

The project will also comply with the Town’s provision for the allocation of 10% of the units for work force housing and the Brookhaven IDA’s requirement for an additional 10% for affordable housing. In addition, a percentage of the workforce/affordable units will be set aside for individuals with developmental disabilities in consultation with the Suffolk County Planning Department and pursuant to a resolution of the Suffolk County Planning Commission.

Attached hereto you will find the site plan and several renderings and elevations of the proposed Greybarn Patchogue Development for your review.

For a more in-depth look at the Rechler Equity multi-family development concept, please visit Greybarn Amityville at [www.greybarn-li.com](http://www.greybarn-li.com).

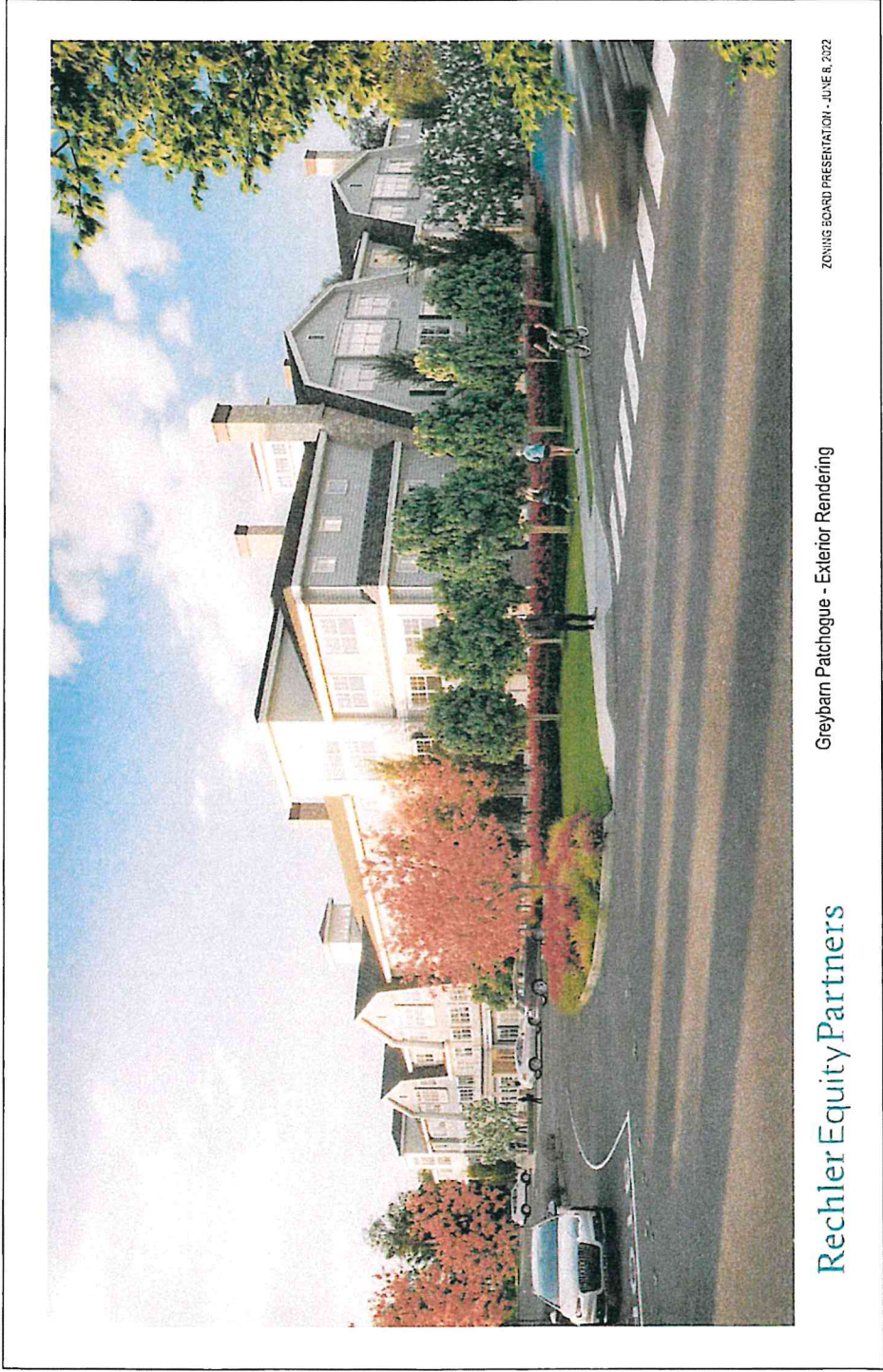
Very truly yours,



Guy W. Germano

GWG/df  
Attachments

# RENDERING

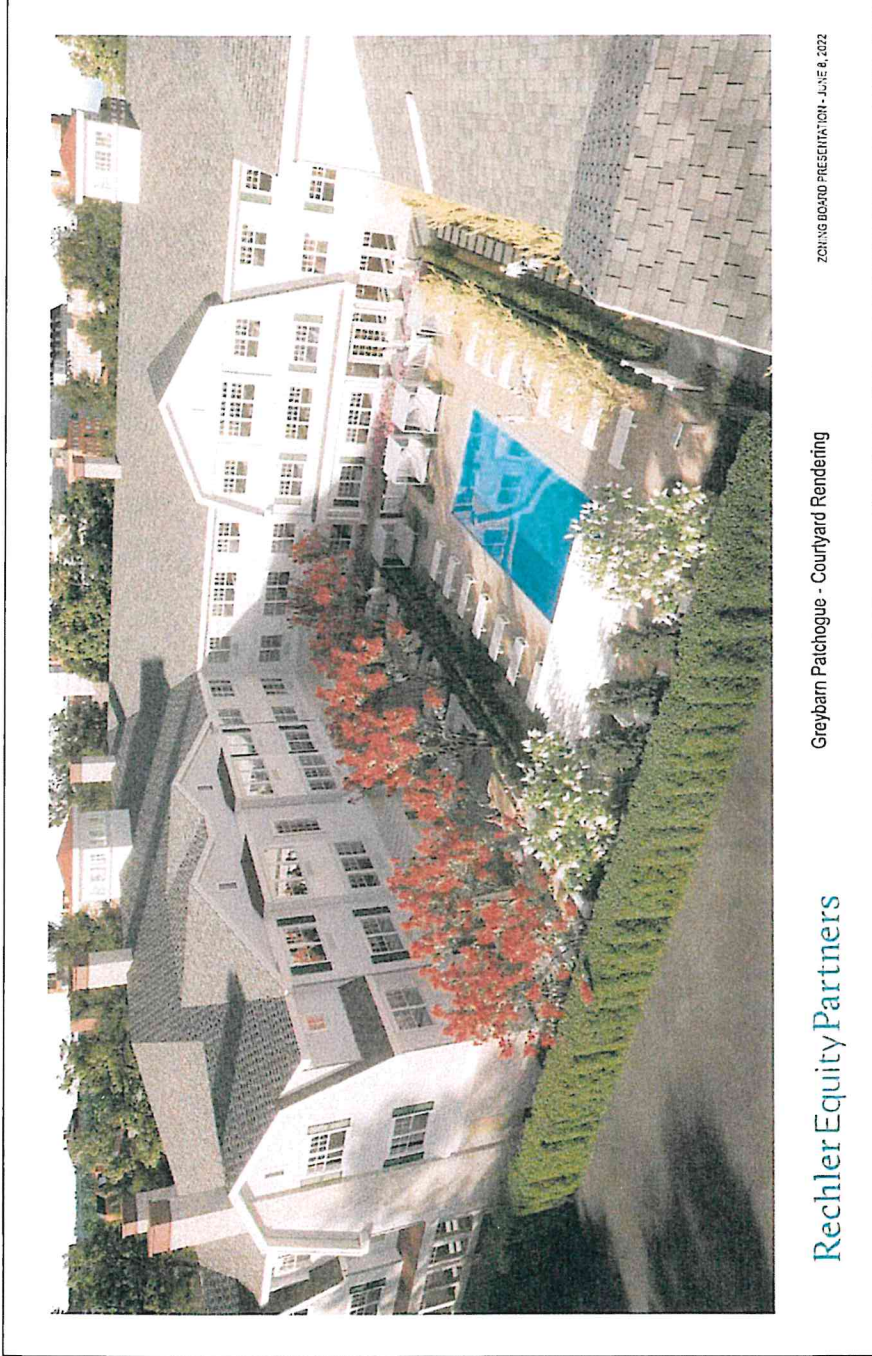


Rechler Equity Partners

Greybarn Patchogue - Exterior Rendering

ZONING BOARD PRESENTATION - JUNE 8, 2022

# RENDERING

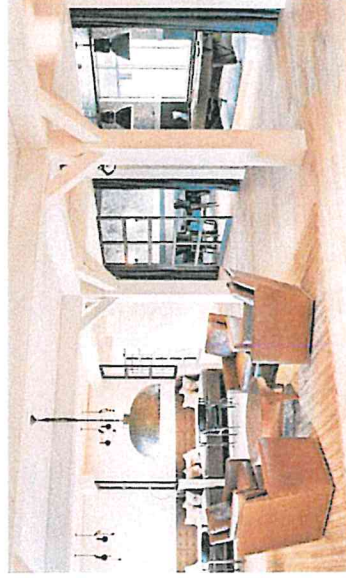
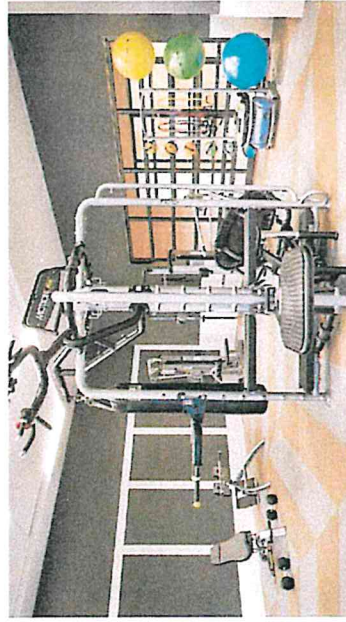
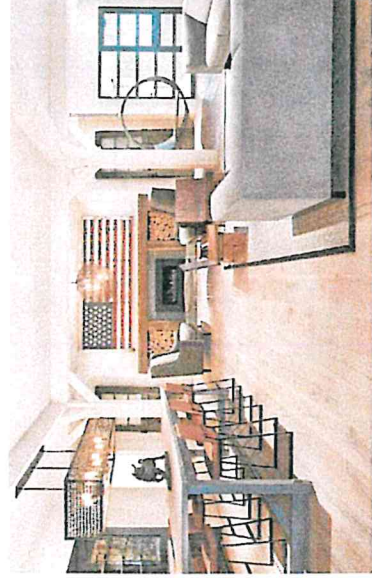


RechlerEquityPartners

Greybarn Patchogue - Courtyard Rendering

ZONING BOARD PRESENTATION - JUNE 8, 2022

# RENDERING



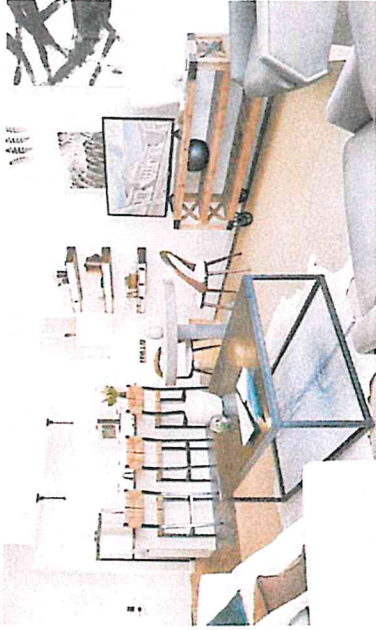
RechlerEquityPartners

Greybarn Patchogue - Clubhouse Photos

ZONING BOARD PRESENTATION - JUNE 8, 2022

# RENDERING

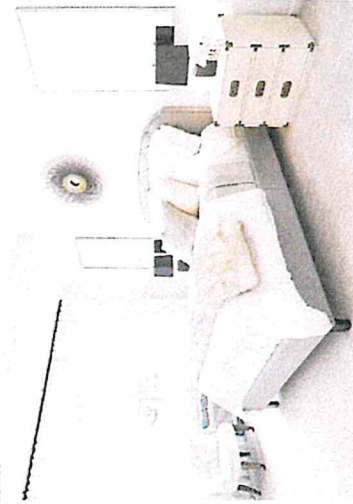
LIVING ROOM



DINING ROOM



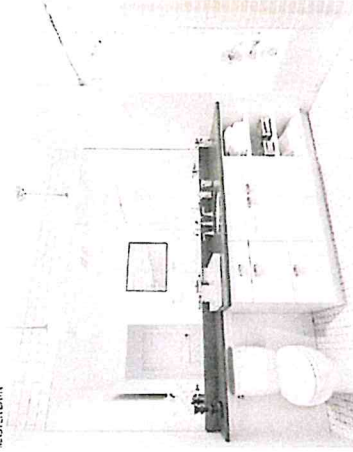
BEDROOM



KITCHEN



MASTER BATH

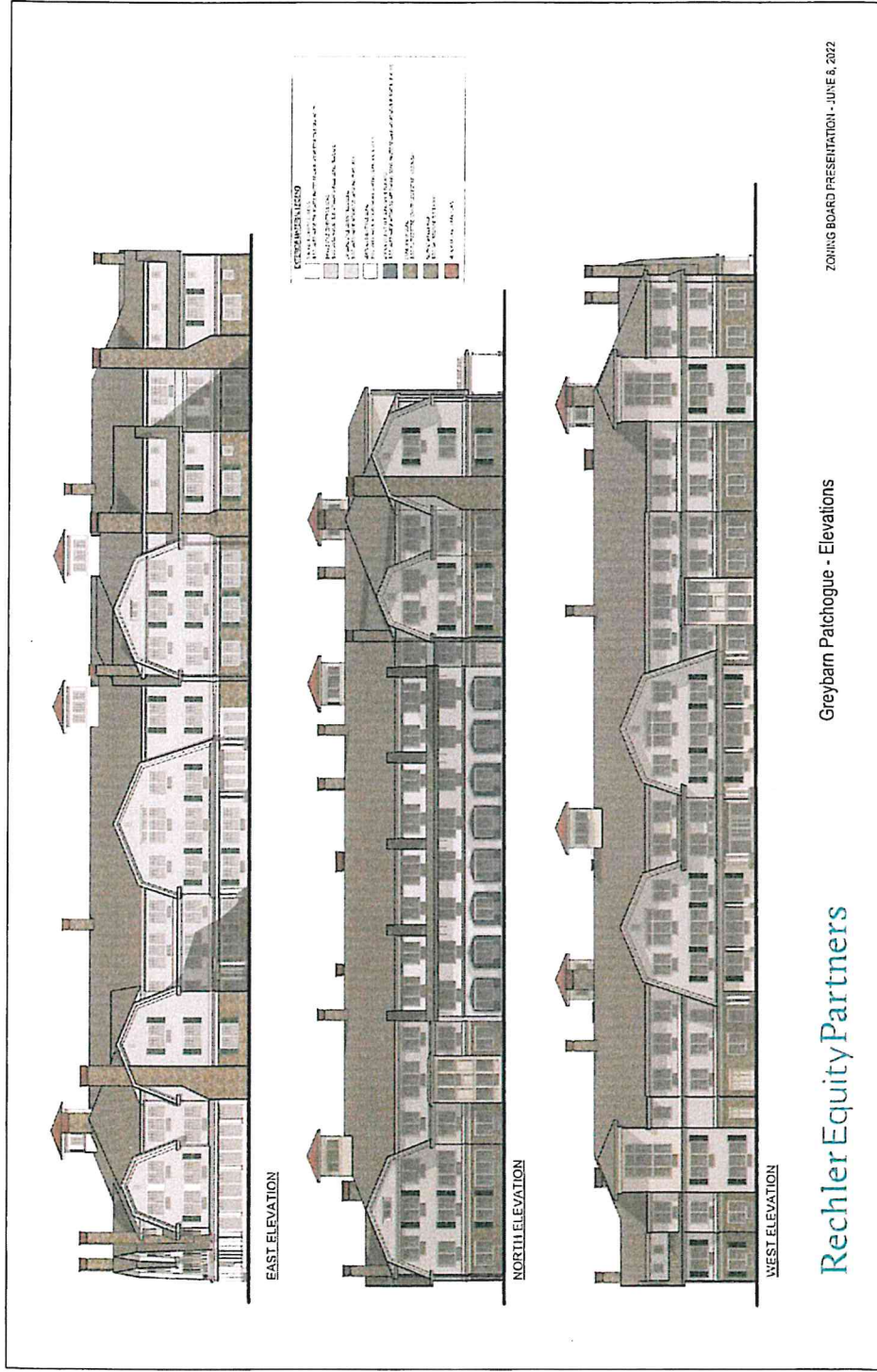


RechlerEquityPartners

Greybarn Patchogue - Suite Photos

ZONING BOARD PRESENTATION - JUNE 8, 2022

# RENDERING



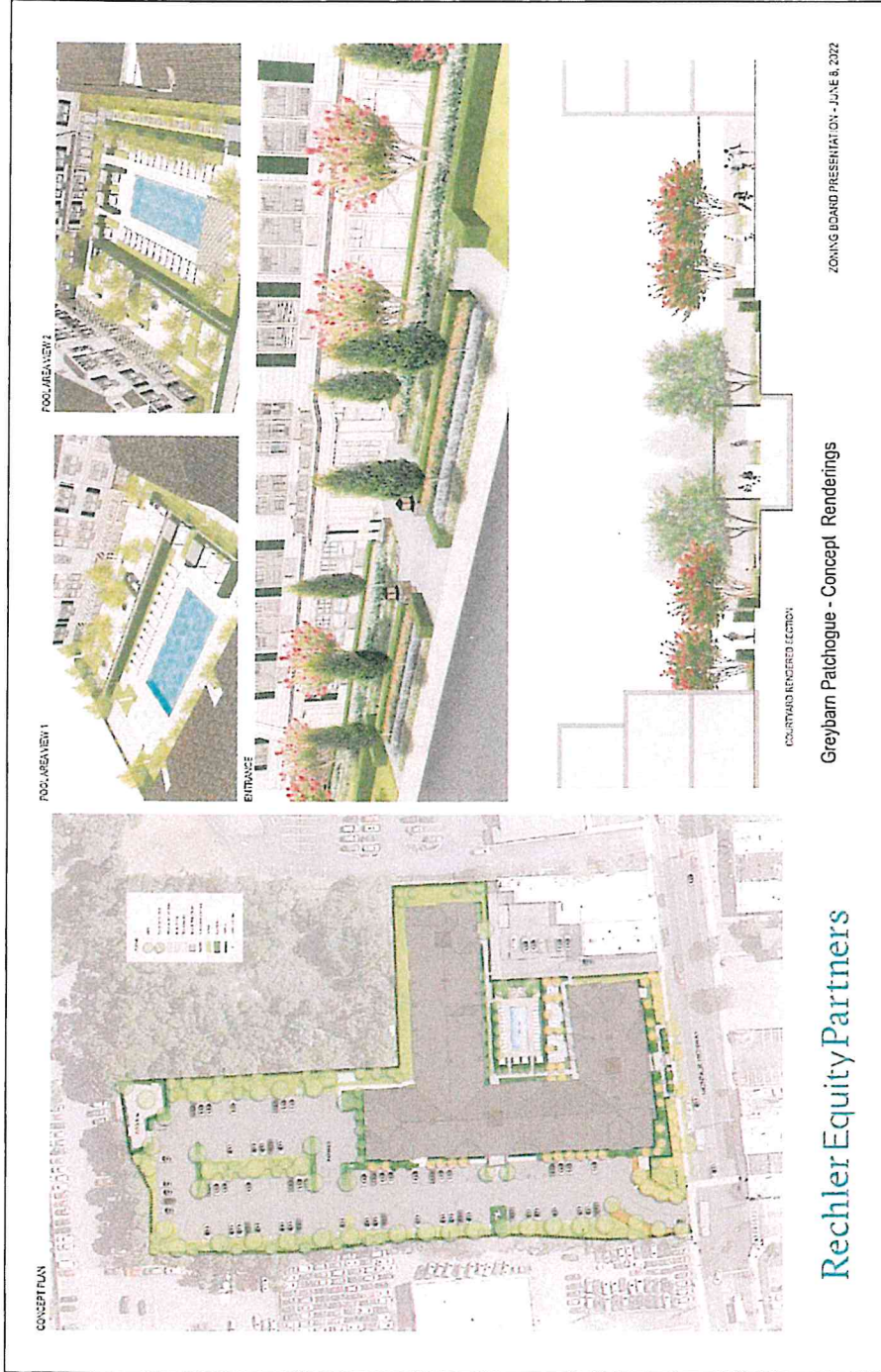
RechlerEquityPartners

Greybarn Patchogue - Elevations

ZONING BOARD PRESENTATION - JUNE 8, 2022



# RENDERING



ZONING BOARD PRESENTATION - JUNE 8, 2022

Greybarn Patchogue - Concept Renderings

RechlerEquityPartners



## NEWS from the Office of the New York State Comptroller

[Share](#)

Contact: Press Office 518-474-4015

### DiNapoli Releases Annual IDA Report

# Net Tax Exemptions Doubled Over Past Decade to \$966 Million; Jobs Gained During 2020 COVID Year Were Smallest in Past Decade

June 17, 2022

New York's local Industrial Development Agencies (IDAs) reported 4,262 active projects with a total value of \$114 billion in 2020, an increase of \$5.3 billion from the prior year, according to an annual report on IDAs released by State Comptroller Thomas P. DiNapoli. While reported project values have risen, the number of projects has decreased by 58, or 1.3%, since 2019. This continues a long-term trend, where project values have increased by 57% and the number of projects has declined by 4% since 2010.

“This report gives taxpayers a clear look at the financial and project data as reported by IDAs for their communities,” DiNapoli said. “IDAs can play an important role in helping local economies and businesses expand and recover after the pandemic. The tax breaks they provide do impact local taxes and should be looked at closely. Publishing this information, including IDA costs, increases their transparency and accountability to taxpayers.”

DiNapoli's report also found IDAs reported the following:

- For the 4,262 active IDA projects, it was estimated that a total of 225,227 jobs would be created during the life of the projects, with a median salary of \$40,000, and 251,888 existing jobs would be retained, with a median salary of \$44,727. A projected 44,636 temporary construction jobs would be created.
- The number of net jobs gained (reflecting current jobs reported by projects minus initial jobs reported) were 167,984 in 2020. This is the smallest number of jobs gained in the last ten years.
- Total tax exemptions for IDA projects amounted to over \$1.7 billion, up \$273 million, or 19%, over 2019. Property tax exemptions represented \$1.6 billion, or 90% of total tax exemptions, and were partially offset by \$782 million in payments in lieu of taxes (PILOTs) in 2020.
- Net tax exemptions (reflecting total tax exemptions minus PILOTs) totaled \$966 million, an increase of \$171 million, or 21%, from 2019. Over the ten-year period ending in 2020, net tax exemptions just about doubled.
- Regionally, total net tax exemptions granted were much higher downstate, with IDAs in New York City, Long Island and the Mid-Hudson regions together granting 61% of all net tax exemptions. On a per capita basis, the New York City IDA provides the lowest net tax exemptions per capita (\$22), while the Capital District had the highest (\$93) in 2020.
- In 2020, IDAs had total revenues of \$72 million, consisting largely of project fees, a decline of \$3.6 million from 2019. New York City IDA had the highest total revenues (\$6.7 million), followed by Genesee County IDA (\$5.7 million), Chautauqua County IDA (\$4.8 million) and Chemung County IDA (\$4 million).
- Total IDA expenses in 2020 were \$85 million, down \$11.8 million from 2019. The largest operating expense category was professional services contracts, such as for accounting, legal or marketing services (\$22.2 million, or 26%, of the total). Salaries, wages and benefits for IDA employees accounted for \$19.2 million, or 23%, of the total. New York City's IDA had the highest expenses (\$8.6 million).
- The largest new IDA project in 2020 by project value (\$2.4 billion) was the New York City IDA's BOP SE LLC project, which is constructing Two Manhattan West, a commercial office tower that is part of the Hudson Yards development.

The report summarizes data as reported by IDAs for fiscal year 2020 through the Public Authorities Reporting Information System, and is not independently verified by the State Comptroller's Office. Three IDAs did not submit their data in time for this report. The report also contains information on Local Development Corporations, a related type of local authority.

DiNapoli's office examines IDA costs and outcomes in several ways, including performing audits of the operations of individual IDAs, providing training to IDA officials on various topics, and encouraging improvements in IDA procedures and reporting.

## **Annual Report**

Performance of Industrial Development Agencies in New York State

## **IDA Data by Region**

Office of the New York State Comptroller - 2020 IDA Data by Region

---

Track state and local government spending at Open Book New York. Under State Comptroller DiNapoli's open data initiative, search millions of state and local government financial records, track state contracts, and find commonly requested data.

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## **OUR OFFICE**



## **TOOLS**



## **INITIATIVES**



## **HELP**



How would you rate our website? ★★★★★



Town of  
Brookhaven  
Long Island

**Edward P. Romaine**, Supervisor

June 30, 2022

Brookhaven IDA  
1 Independence Hill  
Farmingville, NY 11738


Dear IDA Board Members,

Recently, I received the attached copy of the "Long Island First Policy" adopted by the Suffolk County Industrial Development Agencies (IDA). This policy strongly encourages project applicants to support Long Island First, which means to the greatest extent possible, project applications should consider purchasing goods and services from Long Island based providers and that to the greatest extent possible employment opportunities be provided to Nassau and/or Suffolk residents.

Several other Industrial Development Agencies are considering adopting this policy. I encourage the Brookhaven IDA to adopt a similar policy and send a very strong message that the IDA is looking to encourage the employment of local workers and its multiplier effect on the local economy.

As you can see, this policy also includes the construction and/or renovation phase of the project with respect to contactors and subcontractors and the local work force used during this period.

I would appreciate if members of the Brookhaven IDA would seriously consider adopting a similar policy.

Sincerely,  
  
Edward P. Romaine  
Town Supervisor

cc: Lisa MG Mulligan, Brookhaven IDA CEO



Steven Bellone  
*Suffolk County Executive*

## **SCHEDULE B**

### **LONG ISLAND FIRST POLICY**

It is the policy of the Suffolk County Industrial Development Agency to strongly encourage Project Applicants to support LONG ISLAND FIRST. This means that to the greatest extent possible Project Applicants should consider purchasing goods and services from Long Island Based Providers, and that to the greatest extent possible all employment opportunities be provided to Nassau and/or Suffolk residents.

For purposes of this Policy, Long Island Based Provider means:

- Business having a physical location on Long Island; or
- Business with a history of performing work in Nassau and/or Suffolk County; or
- Business employing majority Nassau and/or Suffolk County residents

The Policy seeks to cause a greater local economic impact of a project through support of Long Island Based Providers and employment of local workers and its multiplier effect on the Nassau and Suffolk County Region. There are direct and indirect benefits to the Region's economy as a result of a Project Applicant's spending and investment taking place locally (as opposed to not taking place at all or occurring out of the Region). A Project Applicant's direct local expenditures for employee salaries, supplies, services, raw materials and operating expenses create an economic benefit to the Region. This direct spending by a Project Applicant increases new economic activity by the businesses that initially received the direct spending and they in turn increase spending at other local businesses in the supply chain. A workforce and new employees create economic activity by purchasing goods and services from local businesses.

The Policy includes the construction and/or renovation phase of a project with respect to contractors and subcontractors and local workforce used during this period.

#### **Complying with the Policy's Goals**

- Project Applicants must annually provide the total dollar amount of all direct expenditures made to Long Island Based Providers (businesses, vendors, suppliers, etc.) along with a name list of all Long Island Based Providers included in the annual direct expenditure total.

For all anticipated contracts to be let during the construction and/or renovation phase, the applicant must:

- Maintain all documentation of their efforts to comply with this policy
- Send notice via email - [info@suffolkida.org](mailto:info@suffolkida.org) to the Suffolk County Industrial Development Agency. Telephone: 631-853-4802. The notice shall be prescribed in a format deemed acceptable by the IDA, posted for a reasonable amount of time, and will contain at a minimum the scope of the contract, anticipated start and end dates, methodology for prospective bidders to submit a bid, and deadline for bid submission. All notices will be publically available via the IDA's website (<https://www.suffolkida.org/>).
- If a Project Applicant or any subcontractor of whatever tier is not hiring a Long Island Based Provider, they must notify the IDA before selecting a Non-Long Island Based Provider and shall provide an explanation of why they elected not to hire a Long Island Based Provider.
- Project Applicants that claim they cannot comply with this Policy shall demonstrate and document their efforts in attempting to meet this Policy's goals and shall provide such documentation to the IDA at its request. The explanation should include a detailed account of the actions undertaken to adhere to this Policy, obstacles encountered and any other relevant information

Failure to comply with the Policy may result in the reduction, loss or recapture of IDA benefits and/or become ineligible for consideration for new project applications.

Project Applicants agree to implement and adhere to the Long Island First Policy as set forth herein.

The undersigned hereby certifies that the answers and information provided above and in any statement attached hereto are true, correct and complete.

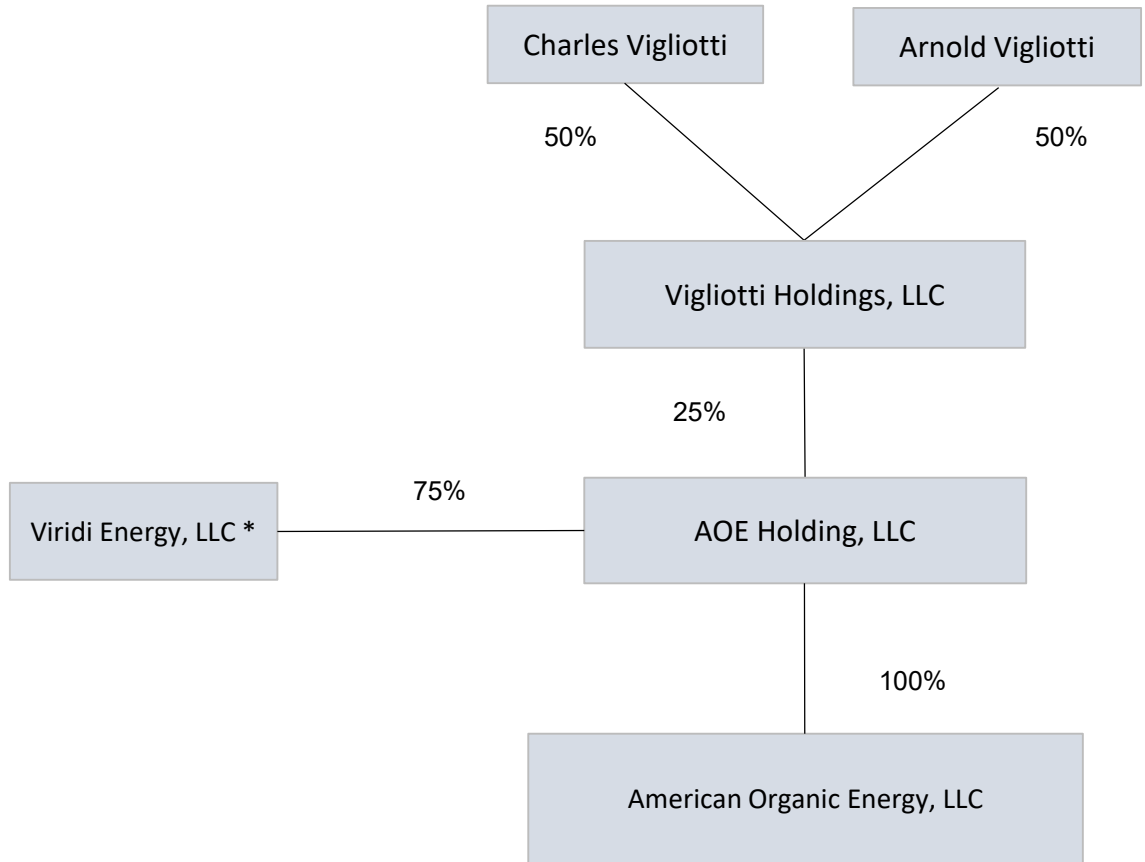
Applicant Print Name \_\_\_\_\_

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Adopted December 14, 2021**

H. Lee Dennison Building, 3rd Floor, 100 Veterans Memorial Highway, P.O. Box 6100, Hauppauge, NY 11788  
(631) 853-4802 Fax (631) 853-8351 [www.SuffolkIDA.org](http://www.SuffolkIDA.org)

### American Organic Energy, LLC Planned Ownership Structure



\* Warburg Pincus is majority owner of Viridi Energy, LLC



# TOWN Meet The Dubb's - The Mastic Beach Developers

By Barbara LaMonica

It's been a long time coming, and there's seemingly light on the horizon to the Mastic Beach Downtown Revitalization that residents and businesses are looking ahead to.

At the helm of the project is the Beechwood Organization, the designated master developer chosen by Brookhaven Town Officials. The high profile developer is no stranger to the Tri Hamlet community, and certainly familiar to Long Island and the outer boroughs of Manhattan.

Beechwood Organization principal, Steven Dubb, the younger half of the father-son team of the family owned business, candidly discussed how the project will unfold as plans take shape. "The project started slowly and will pick up steam over time. So far," Dubb explained, "we're working on setting up meetings with community stakeholders and local groups in the Mastic Beach area to get a feel for what they want to improve their surrounding community."

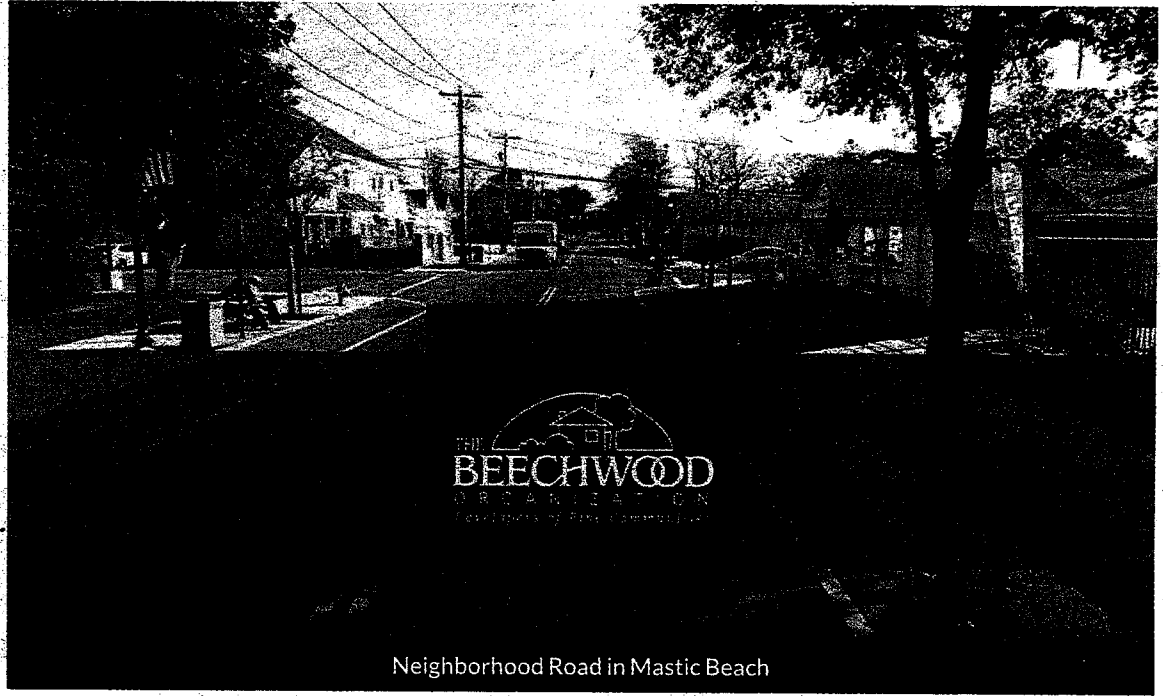
That "dialogue" has commenced between Brookhaven Town Officials and Beechwood, as well as with local community groups. Brookhaven Town Sixth District Councilman and Deputy Supervisor, Dan Panico, recently addressed residents and merchants of

the Greater Mastic Beach Chamber of Commerce, during which information was provided to the community in an extensive Q and A period.

The "target area" for revitalization incorporates Commack Road to the north, Mastic Road to the east, and Neighborhood Road to the south.

Architectural and streetscape designs are significant concerns expressed by residential property owners. Dubb explained: "We're starting with a blank slate, and we'll be working on selecting the best firm to develop conceptual plans." Dubb said that "with feedback from the community," a third party architect and engineering firm will work on developing a sense of place and to improve vehicular traffic and aesthetics throughout the area. Dubb underscored that community input will be key in planning and developing the revitalization of the Mastic Beach Hamlet.

Asked about the potential for eminent domain proceedings, (a concern at the forefront and on the minds of property owners), a candid Dubb explained that it is "too soon" in the process to make that determination: "We certainly hope not, but at this point it is way too early to tell, and we don't know. We will certainly look to acquire some parcels but," Dubb cautioned that



Neighborhood Road in Mastic Beach

there may be other developers to work with.

Meanwhile, Elysa Goldman is Beechwood's designated point person to steer the Mastic Beach Downtown Revitalization Project. Dubb said Goldman comes with a wealth of experience in Economic Development and working with private industry to revitalize and develop residential and business properties. "She has transferable skills in that role for Mastic Beach and," Dubb added referencing Goldman's consultative role, "she has a feel for the Mastic Beach community."

Dubb touts the Beechwood Organization as the best choice to spearhead the Mastic Beach revitalization initiative. "We're the right choice," Dubb

said. "We want to first and foremost, get community feedback to help shape the project, then proceed to move forward to begin improving the community." A series of community meetings are in the process of being scheduled, where Dubb says he expects an initial concept plan should be prepared to be presented to the community by September or October of 2022. "We like to be proud of what we build." Dubb said the Mastic Beach initiative will be an aesthetically pleasing concept that will include green and open spaces, sidewalks that perhaps might link to trails, landscaping, accomplished in an environmentally friendly manner.

Asked about an estimated completion date, Dubb said he could not yet offer a firm response because of the nature of the multi phase project. "We don't know where we are yet by design and," he pointed out underscoring the imperative to incorporate local feedback, "we don't want to make plans without first getting input from community stakeholders, then address them with proposed development."

The Beechwood Organization was founded in 1995 by CEO, Michael Dubb. Steve joined his father in the business 15 years ago. "We've built thousands of homes on Long Island in 40 to 50 communities across Nassau and Suffolk counties, and in the outer boroughs," Dubb said. "We build affordable to multi million dollar housing, but our sweet spot is building

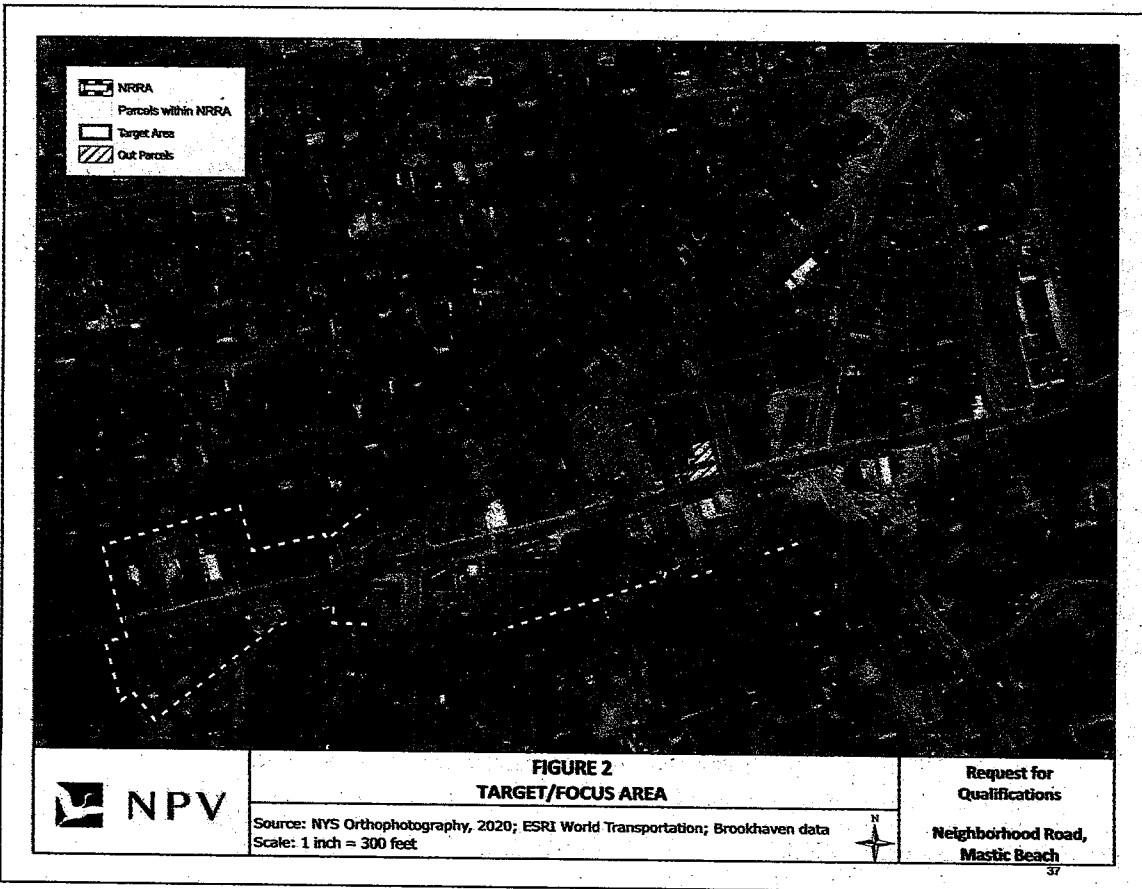
for the average homeowner ranging in prices from \$400,000 to \$900,000."

Dubb cites one of Beechwood's revitalization projects that elevated a once-depressed area, to what has evolved into a 21st Century thriving community. What is now known as Arverne by the Sea on the Rockaway Peninsula, the once drug and crime riddled 120 acre spread now boasts a 1,000 residential mixed-use community.

"We work with municipalities, counties, towns—we do it all from residential to retail," Dubb said. "We're not just a one trick pony. We have a history of successful projects, and now, we're excited to have the opportunity to do this project in Mastic Beach."

Community and business leaders have been positively optimistic about the redevelopment efforts.

"I am pleased by Councilman Panico's appearance at our last meeting. The things that I have heard and read from the Beechwood organization have also been positive. But let's make no mistake about it, the developer and the town must make sure that the redevelopment process of Neighborhood Road is transparent and open to the public. The merchants, tenants and property owners are the main stake holders. We need to have a front seat at the table throughout this process," said Matthew Towle, Vice President of the Greater Mastic Beach Chamber of Commerce and representative of The South Shore Press.



## TOP MULTIFAMILY PROJECT—SUFFOLK

**PROJECT: THE BRIO, 295 UNITS AT THE BOULEVARD IN  
YAPHANK  
BARRETT, BONACCI, & VANWEELE, P.C.  
TIMOTHY SHEA, CERTILMAN BALIN  
ROSE-BRESLIN ASSOCIATES**

The Brio at the Boulevard is a 295-unit rental complex that's part of the 322-acre planned mixed-use development at the northwest corner of the Long Island Expressway and the William Floyd Parkway that was the former Parr Meadows Racetrack.

The Brio, the latest addition to the expanding Boulevard community, consists of 295 units in four-story buildings with one- to three-bedroom apartments ranging in size from 722 square feet to 1,436 square feet. There are also townhomes of over 1,400 square feet that have two bedrooms and two-and-a-half baths. In addition, there are two-bedroom, two-bath, 1,200-square-foot carriage houses that feature attached garages.



The Brio has a two-story, 6,674-square-foot clubhouse with pool table, arcade games, fitness center and resident lounge. Other amenities include a mailroom with package lockers, outdoor grilling stations, and a fenced-in bark park.

**FAST FACT**

**1.317M**

Number of jobs on Long Island in May, up 3.4% from 1.273 million in May 2021

SOURCE: NEW YORK STATE DEPARTMENT OF LABOR

**SURVEY: MOST DIDN'T SAVE IN PANDEMIC**

Bloomberg News

More than half of consumers in major economies didn't build up their savings during the pandemic, a survey shows.

The research in 18 nations by YouGov Plc punctures the idea that households have a cushion against a deepening cost of living crisis.

YouGov said 51% of respondents failed to add to their savings during the pandemic. The rate was lowest for Germany, at 39%, while Italy's figure was just 40%. The United States, United Kingdom and Canada also saw results below 50%.

The survey covers 20,000 adults across 18 countries and undercuts hopes that a global savings glut will help households weather a spike in inflation. Instead, it paints an uneven picture of finances, potentially paving the way for deepening inequality in coming months.

YouGov's survey also suggests the nest eggs that did accumulate are rarely being spent on luxury items. Of those who saved, about half are managing to hold onto the extra money. More than a quarter spent the money on bills or other essential purchases.

Just 13% used them to fund holidays and social events since restrictions lifted, and 19% used the money for home improvements or moving.

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newsday.com/biz



The Selby apartment complex in Westbury is a recent project receiving support from the Hempstead Industrial Development Agency.

LI BUSINESS

BEECHWOOD HOMES | THE SELBY

**REPORT: 40G IDA-RELATED JOBS**

Projects on LI create work after agency tax breaks

BY JAMES T. MADORE  
james.madore@newsday.com

Long Island ranks No. 2 behind New York City in the number of jobs created by industrial development agencies, according to a new report.

The office of state Comptroller Thomas P. DiNapoli found 40,697 people had been added to local payrolls as of Dec. 31, 2020, by expanding businesses, housing developments and other projects that were awarded tax breaks by the Island's eight IDAs in recent years. That's 24% of the 167,984 jobs created statewide by IDA projects.

In New York City, IDA projects had added 43,314 jobs as of the end of 2020. It was the first time in five years that the city edged out Long Island in terms of IDA-related job growth.

Locally, Suffolk County IDA projects hired the most people, 14,246, followed by Nassau County IDA projects with 9,909. The two trailed only the New York City IDA in terms of job creation across the state.

The comptroller calculated the "net jobs gained" at each project by comparing its 2020 employment with that for the year before the project received IDA help.

DiNapoli's annual IDA report card looked at hiring that took place over multiple years because IDAs confer tax breaks for 10, 15, 20, and in a few cases, 40 years. The duration of the aid depends on the project's size and the number of jobs to be created and retained. Companies failing to keep their employment promises can have their tax breaks rescinded.

"IDAs can play an important role in helping local economies and businesses expand and recover after the pandemic," DiNapoli said on Friday. "The tax breaks they provide do impact local taxes and should be looked at closely."

On Long Island, the Suffolk IDA's 139 projects had the lowest tax incentives per new job, \$720, while the Glen Cove IDA's 10 projects had the highest, \$60,437 per job, according to the report card.

Islandwide, the 2020 tax savings received by 820 projects totaled \$210.4 million off their property, sales and mortgage recording taxes. That translates to \$5,170 in tax breaks per job gained and \$72 per Long Island resident.

The Suffolk IDA "is focused on identifying projects that strike the right balance in aiding business retention and expansion while also maximizing employment opportunities for residents," said executive director Anthony J. Catapano.

Ann S. Fangmann, executive director of the City of Glen Cove's IDA, said it "has a

**BOOSTED BY BREAKS**

IDA tax breaks given per job created as of Dec. 31, 2020

Glen Cove	\$60,437
Hempstead Town	\$23,976
Islip Town	\$18,170
Nassau County	\$7,626
Brookhaven Town	\$3,249
Babylon Town	\$2,655
Riverhead Town	\$2,394
Suffolk County	\$720

SOURCE: NEW YORK STATE COMPTROLLER'S OFFICE, 2022 REPORT ON IDAs

higher percentage of residential projects than most other IDAs and these projects provide fewer jobs per dollar of benefit." Glen Cove IDA projects had created 233 jobs as of the end of 2020.

She said the Garvies Point and Village Square housing projects in the city's downtown "will spur spinoff economic development that does not show up in the state-generated statistics."

The report card consists of data from all active IDA projects, whether they've been receiving tax savings for many years or just one year.

Among the Island's new projects, Hempstead Town IDA's support for the Selby apartment complex at 695 Merrick Ave. in Westbury

had the highest investment by a developer — \$127 million — and the largest total tax exemption — \$2.2 million in 2020. The luxury apartments that overlook Eisenhower Park are to rent for between \$2,700 and \$8,000 per month, according to the developer, Beechwood Organization.

"Housing is absolutely necessary on Long Island and our board considered that the project was deserving of benefits," said Fred Parola, CEO of the Hempstead IDA. "The property was lying vacant and dormant and this project, when completed, will provide an economic boost to the area with residents who are in a position to help the local economy."

The Nassau IDA provided \$75.6 million in tax breaks while the Suffolk IDA provided \$10.3 million in tax savings in 2020. The large disparity is due in part to the Neptune electrical cable project that accounts for an outsized amount of Nassau's tax breaks.

Nassau IDA chairman Richard Kessel said the agency is fulfilling its mission "to pump up the Nassau County economy and to create jobs and opportunities for people" through the support of proposed apartment buildings on the long-vacant Superblock site in Long Beach and an Amazon warehouse at the former Cerro Wire site in Syosset.

"I totally respect the report card, but I think that statistics don't tell the story," he said.

newsday.com

NEWSDAY, TUESDAY, JUNE 21, 2022

15 Commercial LLC  
15 Commercial Blvd.  
Medford, NY

June 27, 2022

**Via Email: [lmulligan@brookhavenny.gov](mailto:lmulligan@brookhavenny.gov)**

Town of Brookhaven  
Industrial Development Agency  
Att: Lisa Mulligan, CEO  
One Independence Hill  
Farmingville, NY 11738

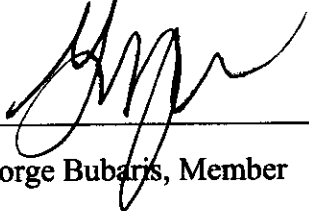
Re: 15 Commercial LLC

To Whom It May Concern:

The SBA has requested that the IDA enter into a Subordination Agreement with the right to cure defaults. We respectfully request that the Board consider this request at its next meeting scheduled for July 19, 2022.

Thank you.

15 Commercial LLC



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George Bubaris, Member

# TOP MULTIFAMILY SALE-SUFFOLK

**DEAL: \$118 MILLION FOR THE VISTAS OF PORT JEFFERSON  
JACK BICK, CHARATAN REALTY  
MICHAEL TUCCILLO & NICHOLAS TUCCILLO, MARCUS &  
MILLICHAP**

Charleston, S.C.-based Greystar purchased the 244-unit complex called The Vistas of Port Jefferson from Garden City-based The Benjamin Companies for \$118 million. The sale price equates to \$483,600 per unit.

The property was about 80 percent occupied at the time of the sale.

The 30-building garden-style apartment community for renters aged 55 and over is on 27 acres at 588 N. Bicycle Path. Construction of the development began in May 2018 and leasing began before the end of 2019.

Michael Tuccillo and Nicholas Tuccillo of Marcus & Millichap represented the buyer, while Jack Bick of Charatan Realty represented the seller in the sales transaction.



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

RECEIVED

June 27, 2022

JUN 30 2022

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

Town of Brookhaven IDA

Attn: Lisa Mulligan  
CEO of Brookhaven IDA and IDC

Re: Update of Prior Lease Extension Application Request of CADCAM Labs LLC

Dear Ms. Mulligan,

Pertaining to the newly approved lease extension for CADCAM Labs LLC, our tenant has now expressed interest in adding a small office space to the extended lease. This would equate to 235 square feet of existing office space. The charge for this space would be \$15.00 per rentable square foot thereby adding \$3,525.00 to the yearly rent with \$293.75 additional payable per month.

Your consideration of this modification to the prior lease extension would be greatly appreciated. If acceptable, we shall instruct our attorneys to further amend the lease and provide you and your counsel with a copy thereof immediately thereafter.

Best regards,

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

Richard W. Tully, Jr.  
Manager

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

DATE: \_\_\_\_\_

APPLICATION OF: \_\_\_\_\_  
Name of Owner and/or User of Proposed Project

ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

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.

## INDEX

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



**Part I: Owner & User Data**

1. Owner Data:

A. Owner (Applicant for assistance): \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Federal Employer ID #: [REDACTED] Website: \_\_\_\_\_

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

Owner Officer Certifying Application: \_\_\_\_\_

Title of Officer: \_\_\_\_\_

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: \_\_\_\_\_

C. Nature of Business:

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

\_\_\_\_\_

D. Owner Counsel:

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Individual Attorney: \_\_\_\_\_

Phone Number: \_\_\_\_\_ E-mail: \_\_\_\_\_

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

Name	Percent Owned
_____	_____
_____	_____
_____	_____

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)

\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_

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.

\_\_\_\_\_  
\_\_\_\_\_

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:

\_\_\_\_\_  
\_\_\_\_\_

I. List parent corporation, sister corporations and subsidiaries:

\_\_\_\_\_  
\_\_\_\_\_

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:

---

---

K. List major bank references of the Owner:

---

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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**

*\*\* (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):

---

---

# FourGen-H LLC

## Addendum 1 to the FORM APPLICATION FOR FINANCIAL ASSISTANCE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY

### Part II – Operation at Current Location

#### Question #5A

5. Are other facilities or related companies of the Applicant located within the State?  
A. If yes, list the Address:

Addresses	Description
225 Broad Hollow Rd, Suite 212W Melville, NY 11747	Corporate Headquarters
146 Beach Street Port Jefferson, NY 11777	Owned property, subleased to Miller Marine
600 Beach Street Port Jefferson, NY 11777	Port Jefferson Dock location
Sheldrake Avenue Port Jefferson, NY 11777	Vacant Land; S.C.T.M. No.: DIST. 0206, SEC. 07, BLK 01, LOT 6 AND 7
19 North Belle Meade Road East Setauket, NY 11733	East Setauket Terminal location
100 Upper Sheep Pasture Road, East Setauket, NY 11733	Residential property adjacent to Setauket terminal
96 Upper Sheep Pasture Road, East Setauket, NY 11733	Residential property adjacent to Setauket terminal
586 Union Avenue Holtsville, NY 11743	Holtsville Terminal location

Entity	Ownership	FEIN
NIC Holding Corp	100%	11-3577086
NIC Capital, LLC	100%	Use NIC FEIN
Northville Industries Corp	100%	11-1801730
Northville Petroleum Pipeline Corp	100%	47-1198126
Northville Dock Pipe Line Corp	100%	11-2120451
FourGen LLC	100%	87-2787478
FourGen-H LLC	100%	87-2808565
FourGen-S LLC	100%	87-2787478
Brookhaven REH LLC	100%	35-2678902
Laurel Ridge REH LLC	100%	30-1218896



**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: \_\_\_\_\_

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

C. Municipal Jurisdiction:

- i. Town: \_\_\_\_\_  
ii. Village: \_\_\_\_\_  
iii. School District: \_\_\_\_\_

D. Acreage: \_\_\_\_\_

3. Project Components (check all appropriate categories):

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

B. Renovations of an existing building  Yes  No  
i. Square footage: \_\_\_\_\_

C. Demolition of an existing building  Yes  No  
i. Square footage: \_\_\_\_\_

D. Land to be cleared or disturbed  Yes  No  
i. Square footage/acreage: \_\_\_\_\_

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: \_\_\_\_\_

\_\_\_\_\_

4. Current Use at Proposed Location:

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

- i. If no, please list the present owner of the site: \_\_\_\_\_

B. Present use of the proposed location: \_\_\_\_\_

\_\_\_\_\_

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: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

B. Proposed product lines and market demands: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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:

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

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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?

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6. Project Work:

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

- i. Site Clearance: Yes  No  % COMPLETE \_\_\_\_\_
- ii. Foundation: Yes  No  % COMPLETE \_\_\_\_\_
- iii. Footings: Yes  No  % COMPLETE \_\_\_\_\_
- iv. Steel: Yes  No  % COMPLETE \_\_\_\_\_
- v. Masonry: Yes  No  % COMPLETE \_\_\_\_\_
- vi. Other: \_\_\_\_\_

B. What is the current zoning? \_\_\_\_\_

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: \_\_\_\_\_

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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: \_\_\_\_\_

ii. Construction/Renovation/Equipping: \_\_\_\_\_

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: \_\_\_\_\_

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**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	\$ _____
Building(s) demolition/construction	\$ _____
Building renovation	\$ _____
Site Work	\$ _____
Machinery and Equipment	\$ _____
Legal Fees	\$ _____
Architectural/Engineering Fees	\$ _____
Financial Charges	\$ _____
Other (Specify)	\$ _____
<b>Total</b>	<b>\$ _____</b>

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:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ _____	_____ years
D. SBA (504) or other governmental financing:	\$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans:	\$ _____	_____ years
G. Owner/User equity contribution:	\$ _____	_____ years
<b>Total Project Costs</b>	<b>\$ _____</b>	

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

\_\_\_\_\_

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.

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:

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

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

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**Part V – Project Benefits**

1. Mortgage Recording Tax Benefit:

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

\$ \_\_\_\_\_

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

\$ \_\_\_\_\_

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):

\$ \_\_\_\_\_

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

\$ \_\_\_\_\_

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: \_\_\_\_\_

B. Agency PILOT Benefit:

i. Term of PILOT requested: \_\_\_\_\_

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**

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

Present number of employees: \_\_\_\_\_ Date \_\_\_\_\_ Average Annual Salary of Jobs to be Retained \_\_\_\_\_

First Year: \_\_\_\_\_ (fill in year)

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

Second Year: \_\_\_\_\_ (fill in year)

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

Number of Residents of LMA:

Full-Time: \_\_\_\_\_

Part-Time: \_\_\_\_\_

**Cumulative Total Employees After Year 2** \_\_\_\_\_

\* 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		
Commission Wage Earners		
Hourly Wage Earners		
1099 and Contract Workers		

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

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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?

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# **FourGen-H LLC**

## **Addendum to the FORM APPLICATION FOR FINANCIAL ASSISTANCE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY**

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

#### **Question #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)

Details of the “yes” response:

In October of 1986, the owner of the project site, Northville Industries Corp., an affiliate of the Applicant, discovered an underground leak of gasoline on its property. A spill case, #86-710 was opened. A detailed investigation was pursued in concert with the New York State Department of Environmental Conservation (NYSDEC). On November 3, 2004, Northville Industries Corp. entered into an Order on Consent, Case #C01-20040310-41, with the NYSDEC. After years of remediation, the NYSDEC issued a No Further Action letter on May 9, 2014, having concluded that the actions set forth in the Order on Consent had been completed and no further remediation was required.

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 SK

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 SK

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 SK

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 SK

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 SK

### **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 are of the stat 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**

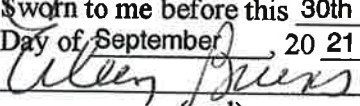
Stephen Ripp (name of representative of entities submitting application) deposes and says that he or she is the President (title) of FourGen-H LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true 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 30th  
Day of September, 20 21  
  
\_\_\_\_\_  
(seal)

EILEEN BURNS  
Notary Public, State of New York  
No. 52-4749500  
Qualified in Suffolk County  
Commission Expires 1/31/2022

**\*\* 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 31<sup>st</sup> of each year, or in two equal payments due January 31<sup>st</sup> and May 31<sup>st</sup> of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31<sup>st</sup>** of any year or **May 31<sup>st</sup>** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

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



## AMERICAN ORGANIC ENERGY

October 20, 2020

Town of Brookhaven Industrial Development Agency  
c/o Town of Brookhaven Division of Economic Development  
One Independence Hill  
Farmingville, NY 11738

To whom it may concern:

American Organic Energy, LLC ("AOE") plans to construct a \$101 million food waste-to-energy project (the "Project") in Yaphank, New York. The Project is a response to market demand for diverting food waste from landfills and incinerators into renewable energy production and other beneficial uses.

The AOE Project will annually process 180,000 tons of food waste and 30,000 tons of fats, oils and grease that would have otherwise been transported to distant landfills for disposal. When constructed, the AOE Project will be the largest scale food-waste disposal facility in the New York metropolitan area. AOE will have 11 full-time employees, which will add to the 100 employees associated with current activities at the Yaphank location (Long Island Compost has 70 employees, Scotts Miracle-Gro has 30 employees).

The organic fraction of incoming waste will be biologically converted into renewable natural gas to (biogas), gardening/landscaping products, clean water, and recycled materials. Daily biogas energy production will be 960 Dekatherms. The biogas will be used as vehicle fuel and to support the Project's electricity and heating requirements.

Funding commitments for the Project have been secured from the New York Green Bank and Sustainable Development Capital. These parties are providing the funds required over and above the equity provided by Charles and Arnold Vigliotti and grants from NYSERDA and Empire State Development. The AOE Project qualifies for sales tax and property tax exemptions, and these exemptions have been critical to AOE's ability to secure funding commitments for the Project. See the attached summary of sources and uses for the Project.

Please contact us at 516-334-6600 or [cvigliotti@licompost.com](mailto:cvigliotti@licompost.com) with any inquiries or clarifications. We look forward to growing our relationship with the Town of Brookhaven.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Charles Vigliotti', is written over a light blue horizontal line.

Charles Vigliotti  
Operating Manager  
American Organic Energy, LLC

**American Organic Energy, LLC**  
**Sources and Uses**

**Sources**

Senior Debt (New York Green Bank)	\$	81,064,978
Subordinated Debt (Sustainable Development Capital)		15,199,683
Equity (Charles and Arnold Vigliotti)		3,316,561
Grants (NYSERDA and ESD)		1,750,000
<b>Total Sources</b>	<b>\$</b>	<b>101,331,222</b>

**Uses**

AD Facility (structure, equipment, BOP, etc.)	\$	74,936,557
Interconnection Costs / TOB Payment		2,935,248
Tankers		1,000,000
Contingency		3,265,263
Development & Permitting Costs		6,500,000
Legal fees, independent market and engineering studies		750,000
Interest during construction		5,351,555
Financing & Placement Fees		3,592,599
Working Capital Cash Reserve		3,000,000
<b>Total Uses</b>	<b>\$</b>	<b>101,331,222</b>



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

DATE: 1/28/22

APPLICATION OF: AOE Holding, LLC  
Name of Owner and/or User of Proposed Project

ADDRESS: 100 Urban Avenue  
Westbury, NY 11590

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.

## INDEX

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

**Part I: Owner & User Data**

1. Owner Data:

A. Owner (Applicant for assistance): AOE Holding, LLC

Address: 100 Urban Avenue  
Westbury, NY 11590

Federal Employer ID #: [REDACTED] Website: usbiopower.com  
NAICS Code: 424990

Owner Officer Certifying Application: Charles Vigliotti

Title of Officer: Operating Manager

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 X for \_\_\_\_\_ industry”; “distributor of \_\_\_\_\_”; or “real estate holding company”)

food waste to renewable energy

D. Owner Counsel:

Firm Name: Bartol Law

Address: 22 Jericho Turnpike, Suite 103  
Mineola, NY 11501-2976

Individual Attorney: Ernest Bartol

Phone Number: 516.294.5100 E-mail: etbartol@bartollaw.com

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

Name	Percent Owned
Viridi Energy, LLC	85%
Charles Vigliotti	7.5%
Arnold Vigliotti	7.5%

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.

Warburg Pincus owns more than 50% of Viridi Energy, LLC

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:

n/a

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

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K. List major bank references of the Owner:

New York Green Bank

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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”)

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C. Proposed project ownership (company or realty partnership):

The project will be owned 100% by American Organic Energy, LLC (AOE). AOE will be majority owned by Charles and Arnold Vigliotti, with minority equity investment to be provided by outside funding parties.

D. What will the building or buildings to be acquired, constructed or expanded be used for by the company? (Include a description of products to be manufactured, assembled, or processed, and services to be rendered):

See cover letter for description of the project.

E. If any space in the project is to be leased to third parties, indicate the total square footage of the project to be leased to each tenant, and the proposed use by each tenant:

N/A

F. List principal items or categories of equipment to be acquired as part of this project:

Primary categories of equipment include: pre-processing, odor control, anaerobic digestion tanks, by-product processing, gas cleaning and compression, and engines.

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

(a.) SITE CLEARANCE:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	% COMPLETE
(b.) FOUNDATION:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	% COMPLETE
(c.) FOOTINGS:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	% COMPLETE
(d.) STEEL:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	% COMPLETE
(e.) MASONRY:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	% COMPLETE
(f.) OTHER:			

H. Existing facilities within New York State:

1) Are there other facilities owned, leased, or used by the company (or a related company or person) within the state? If so, describe whether owned, leased, or other terms of use:

AOE's headquarters are located in Westbury, NY. LICC operates a transfer station in Westbury, NY. This facility is owned by LICC. LICC also operates multiple composting sites located on various farms in Suffolk County under leases with the respective property owners.

2) If there are other facilities within the state, is it expected that any of these facilities will close or be subject to reduced activity?

YES  NO

3) If you answered yes to question 2, above, please indicate whether the project is reasonably necessary for the company to maintain its competitive position in the industry. Please explain in detail:

N/A

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4) Has the company thought about moving to another state? If so, please explain:

N/A

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5) Will the project meet zoning requirements at the proposed location?

YES  NO

6) If a change of zoning is required, please provide the details/status of the change of zone request.

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I. Does the company, or any related corporation or person, have a lease on the project site?

YES  NO

J. Does the company now own the project site?

YES  NO

1. If yes, indicate:

A) Date of purchase: \_\_\_\_\_

B) Purchase price: \_\_\_\_\_

C) Balance of existing mortgage: \_\_\_\_\_

D) Holder of mortgage: \_\_\_\_\_

E) Special conditions: \_\_\_\_\_

2. If no, indicate:

A) Present owner of site: Long Island Compost Corp

B) Does the company or any related person or corporation have an option or a contract to purchase the site and/or any buildings on the site?

YES  NO

If yes, indicate:

1) Date signed: \_\_\_\_\_

2) Purchase price: \_\_\_\_\_

3) Settlement date: \_\_\_\_\_

4) Please attach a copy of option or contract.

K. Is there a relationship legally or by virtue of common control or ownership between the company (and/or its stockholders) and the seller of the project (and/or its shareholders)?

If yes, please describe this relationship:

Long Island Compost Corp (owner of the site) and American Organic Energy, LLC (owner of the project) are both owned 50/50 by Charles and Arnold Vigliotti.

L. How much equity do you have in this project?

Over \$1.5 million has been spent to-date.

### III. PROJECT COSTS

A. Give an accurate estimate of cost of all items:

	AMOUNT
LAND	\$ _____
BUILDING	\$ <u>6,000,000</u>
SITE WORK	\$ <u>2,000,000</u>
LEGAL FEES	\$ <u>300,000</u>
ENGINEERING FEES	\$ <u>2,500,000</u>



FINANCIAL CHARGES	\$ 900,000
EQUIPMENT	\$ 34,300,000
RECORDING FEES	\$ <small>*Other includes bond structuring, construction period interest, debt reserves, working capital, etc.</small>
OTHER (SPECIFY)	\$ 4,000,000
TOTAL	\$ 50,000,000

B. METHOD OF FINANCING COSTS	Amount	Term
1. Tax-exempt IDB financing:	\$ 40,000,000	20 years
2. Taxable IDB financing:	\$ _____	_____ years
3. SBA (504) or other governmental financing:	\$ _____	_____ years
4. Other loans:	\$ _____	_____ years
5. Company's equity contribution:	\$ 10,000,000	
Total Project Costs	\$ 50,000,000	

C. 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  If yes, give particulars on a separate sheet.

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

No

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

No

F. What portion, if any, of the cost of the project is to be financed from funds of the company (other than from the proposed bond issue)? Give details:

\$10.0 million will be financed with equity (funds other than from the proposed bond issue). This equity will be financed by the Vigliottis and one or more outside equity sources.

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

No.

IV. MEASURE OF GROWTH AND BENEFITS

A. If the company presently operates in the Town of Brookhaven, give current employment and payroll. Also give reasonable estimates of employment and payroll directly attributable to the facility to be built in the Town of Brookhaven.

<b>CURRENT EMPLOYMENT FIGURES</b>	<b>UNDER \$30,000</b>	<b>\$30,000 - \$50,000</b>	<b>\$50,000 - \$75,000</b>	<b>OVER \$75,000</b>
Number of Full-Time Employees (FTE) earning:				
Number of Part-Time Employees (FTE) earning:				

TOTAL PAYROLL FOR FULL-TIME EMPLOYEES		\$ See "Employment Table" Attachment		
TOTAL PAYROLL FOR PART-TIME EMPLOYEES		\$ for both current and projected employment		
TOTAL PAYROLL FOR ALL EMPLOYEES		\$ for combination of LICC, Scotts and AOE.		

<b>PROJECTED EMPLOYMENT FIGURES - YEAR ONE</b>	<b>UNDER \$30,000</b>	<b>\$30,000 - \$50,000</b>	<b>\$50,000 - \$75,000</b>	<b>OVER \$75,000</b>
Number of Full-Time Employees (FTE) earning:				
Number of Part-Time Employees (FTE) earning:				

TOTAL PAYROLL FOR FULL-TIME EMPLOYEES		\$		
TOTAL PAYROLL FOR PART-TIME EMPLOYEES		\$		
TOTAL PAYROLL FOR ALL EMPLOYEES		\$		

<b>PROJECTED EMPLOYMENT FIGURES - YEAR TWO</b>	<b>UNDER \$30,000</b>	<b>\$30,000 - \$50,000</b>	<b>\$50,000 - \$75,000</b>	<b>OVER \$75,000</b>
Number of Full-Time Employees (FTE) earning:				
Number of Part-Time Employees (FTE) earning:				

TOTAL PAYROLL FOR FULL-TIME EMPLOYEES		\$		
TOTAL PAYROLL FOR PART-TIME EMPLOYEES		\$		
TOTAL PAYROLL FOR ALL EMPLOYEES		\$		

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

V. PROJECT CONSTRUCTION SCHEDULE

A. What is the proposed date for commencement of construction or acquisition of the project?

Construction is proposed to commence in October, 2015.

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

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Construction and installation is expected to be complete May, 2016 at which point initial ramp up of the facility will commence. Ramp up to full capacity is expected to take 3-4 months.

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- C. At what time or times and in what amount or amounts is it estimated that funds will be required?

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Closing on commitments to fully fund the Project will occur at financial close, which is expected to be October, 2015. As of now, draws on funding are expected to occur evenly over the construction and installation timeframe.

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VI. SUBMIT THE FOLLOWING INFORMATION OF THE COMPANY

- A. Financial statements for the last two fiscal years (unless included in the company's annual report).
- B. What, if any, will be the expected increase in the dollar amount of sales? \$ 12 - 13 million
- C. Company's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
- D. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
- E. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
- F. Completed Long Environmental Assessment Form.
- G. 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.

Town of Brookhaven Industrial Development Agency  
Payment in Lieu of Tax (PILOT) Policy

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

1. The Town of Brookhaven Industrial Development Agency (IDA) may grant, or be utilized to obtain a partial or full real property tax abatement for a determined period which can be as long as ten years. To be eligible for this abatement there would be a requirement of new construction, or renovation, and a transfer of title of the real property to the Town of Brookhaven IDA.
2. The Chief Executive Officer (CEO) or their designee shall consult with the Town Assessor to ascertain the amounts due pursuant to each PILOT Agreement. Thereafter, the PILOT payment for each project shall be billed to the current lessees. The lessees can pay the PILOT payment in full by January 31<sup>st</sup> of each year, or in two equal payments due January 31<sup>st</sup> and May 31<sup>st</sup> of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. If first-half PILOT payments are not received on a timely basis (as outlined in paragraph 2 hereof), the following interest and penalties shall accrue:

(i)	2/1 to 2/28	1% of the amount due
(ii)	3/1 to 3/31	2% of the amount due
(iii)	4/1 to 4/30	3% of the amount due
(iv)	5/1 to 5/31	4% of the amount due
(v)	6/1 to 6/30	5% of the amount due
(vi)	7/1 to 7/31	5% of the amount due
(vii)	8/1 to 8/31	5% of the amount due
(viii)	9/1 to 9/30	5% of the amount due
(ix)	10/1 to 10/31	5% of the amount due
(x)	11/1 to 11/30	5% of the amount due

PILOT payments paid after May 31<sup>st</sup> shall pay interest and penalties as follows:

(i)	6/1 to 6/30	5% interest and 5% penalty
(ii)	7/1 to 7/31	6% interest and 5% penalty
(iii)	8/1 to 8/31	7% interest and 5% penalty
(iv)	9/1 to 9/30	8% interest and 5% penalty
(v)	10/1 to 10/31	9% interest and 5% penalty
(vi)	11/1 to 11/30	10% interest and 5% penalty

For PILOT payments past due beyond one year, additional interest and penalties will accrue.

6. If a PILOT payment is not received by January 31<sup>st</sup> of any year or May 31<sup>st</sup> of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may

EXHIBIT A

Proposed PILOT Schedule

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

<b>AOE PILOT</b>	
<b>YEAR</b>	<b>PILOT Amount</b>
1	\$ 11,780
2	\$ 12,020
3	\$ 12,260
4	\$ 12,500
5	\$ 12,750
6	\$ 13,010
7	\$ 13,270
8	\$ 13,540
9	\$ 13,810
10	\$ 14,080

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

give the lessee notice of said default. If the payment is not received within sixty (60) 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.

CERTIFICATION

Charles Vigiotti (name of Chief Executive Officer of company submitting application) deposes and says that he or she is the President & CEO (title) of American Organic Energy, LLC, the corporation (company name) named in the attached application; that he or she has read the foregoing application and knows the contents thereof; that the same is true to his or her knowledge.

Deponent further says that the reason this verification is being made by the Deponent and not by American Organic Energy, LLC (company name) is because the said company is a corporation. The grounds of Deponent's belief relative to all matters in the said application which are not stated upon his or her 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 or her duties as an officer of and from books and papers of said corporation.

As an officer of said corporation (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") acting on behalf of the Applicant in connection with this application and all matters relating to the issuance of bonds. 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 counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue, the Applicant shall pay to the Agency an administrative fee set by the Agency not to exceed an amount equal to 1% of the total project cost financed by the bond issue, which amount is payable at closing. The Agency's bond counsel's fees and the administrative fee may be considered as a cost of the project and included as part of any resultant bond issue.

Deponent further certifies that he or she has read the Payment in Lieu of Tax (PILOT) Policy of the Town of Brookhaven Industrial Development Agency and will agree to the terms thereof.

*Charles Vigiotti*  
Chief Executive Officer of Company

Sworn to me before this 17<sup>th</sup>  
Day of May, 2015.  
*Patricia C. Monti*  
(seal)

**PATRICIA C. MONTI**  
NOTARY PUBLIC, STATE OF NEW YORK  
NO 4954028  
QUALIFIED IN SUFFOLK COUNTY  
COMMISSION EXPIRES 7-31-2017

Amercian Organic Energy, LLC  
 "Employment Table" for Yaphank Site - Section IV of Brookhaven IDA Application

Current Employment

LICC	Current Employment				Total
	Under \$30k	\$30k-\$50k	\$50k-\$75k	Over \$75k	
Number of full-time employees	18	26	15	12	71
Number of part time employees	0	0	0	0	0

Total payroll for full time employees	\$ 82,956	WEEKLY
Total payroll for part time employees	\$ -	
Total payroll for all employees	\$ 82,956	

Scotts (Estimated)	Current Employment				Total
	Under \$30k	\$30k-\$50k	\$50k-\$75k	Over \$75k	
Number of full-time employees	23	4	3	3	33
Number of part time employees	0	0	0	0	0

Total payroll for full time employees	\$ 21,792	WEEKLY
Total payroll for part time employees	\$ -	
Total payroll for all employees	\$ 21,792	

Total for Yaphank Site	Current Employment				Total
	Under \$30k	\$30k-\$50k	\$50k-\$75k	Over \$75k	
Total - Full Time Employees	41	30	18	15	104
Total - Part Time Employees	0	0	0	0	-

Total Payroll for All Employees - Current **\$ 104,748 WEEKLY**



**Amercian Organic Energy, LLC  
"Employment Table" for Yaphank Site - Section IV of Brookhaven IDA Application**

**Projected Employment Figures - Year One (this represents year 1 of AOE operation, post construction)**

	Under \$30k	\$30k-\$50k	\$50k-\$75k	Over \$75k	Total
<b>AOE</b>					
Number of full-time employees	10	6	4	0	20
Number of part time employees	0	0	0	0	0

Total payroll for full time employees **\$ 15,400 WEEKLY**  
 Total payroll for part time employees **\$ -**  
 Total payroll for all employees **\$ 15,400**

	Under \$30k	\$30k-\$50k	\$50k-\$75k	Over \$75k	Total
<b>LICC</b>					
Number of full-time employees	18	26	15	12	71
Number of part time employees	0	0	0	0	0

Total payroll for full time employees **\$ 82,956 WEEKLY**  
 Total payroll for part time employees **\$ -**  
 Total payroll for all employees **\$ 82,956**

	Under \$30k	\$30k-\$50k	\$50k-\$75k	Over \$75k	Total
<b>Scotts (Estimated)</b>					
Number of full-time employees	23	4	3	3	33
Number of part time employees	0	0	0	0	0

Total payroll for full time employees **\$ 21,792 WEEKLY**  
 Total payroll for part time employees **\$ -**  
 Total payroll for all employees **\$ 21,792**

	Under \$30k	\$30k-\$50k	\$50k-\$75k	Over \$75k	Total
<b>Total for Yaphank Site</b>					
Total - Full Time Employees	51	36	22	15	124
Total - Part Time Employees	0	0	0	0	-

**Total Payroll for All Employees - Year One of AOE Operation **\$ 120,148 WEEKLY****

**Amercian Organic Energy, LLC**  
**"Employment Table" for Yaphank Site - Section IV of Brookhaven IDA Application**

**Projected Employment Figures - Year Two (this represents year 2 of AOE operation, post construction)**

AOE	Under \$30k			\$30k-\$50k			\$50k-\$75k			Over \$75k			Total
Number of full-time employees	10		6			4			4			0	20
Number of part time employees	0		0			0			0			0	0

Total payroll for full time employees **\$ 15,400 WEEKLY**  
 Total payroll for part time employees **\$ -**  
 Total payroll for all employees **\$ 15,400**

LICC	Under \$30k			\$30k-\$50k			\$50k-\$75k			Over \$75k			Total
Number of full-time employees	18		26			15			12			0	71
Number of part time employees	0		0			0			0			0	0

Total payroll for full time employees **\$ 82,956 WEEKLY**  
 Total payroll for part time employees **\$ -**  
 Total payroll for all employees **\$ 82,956**

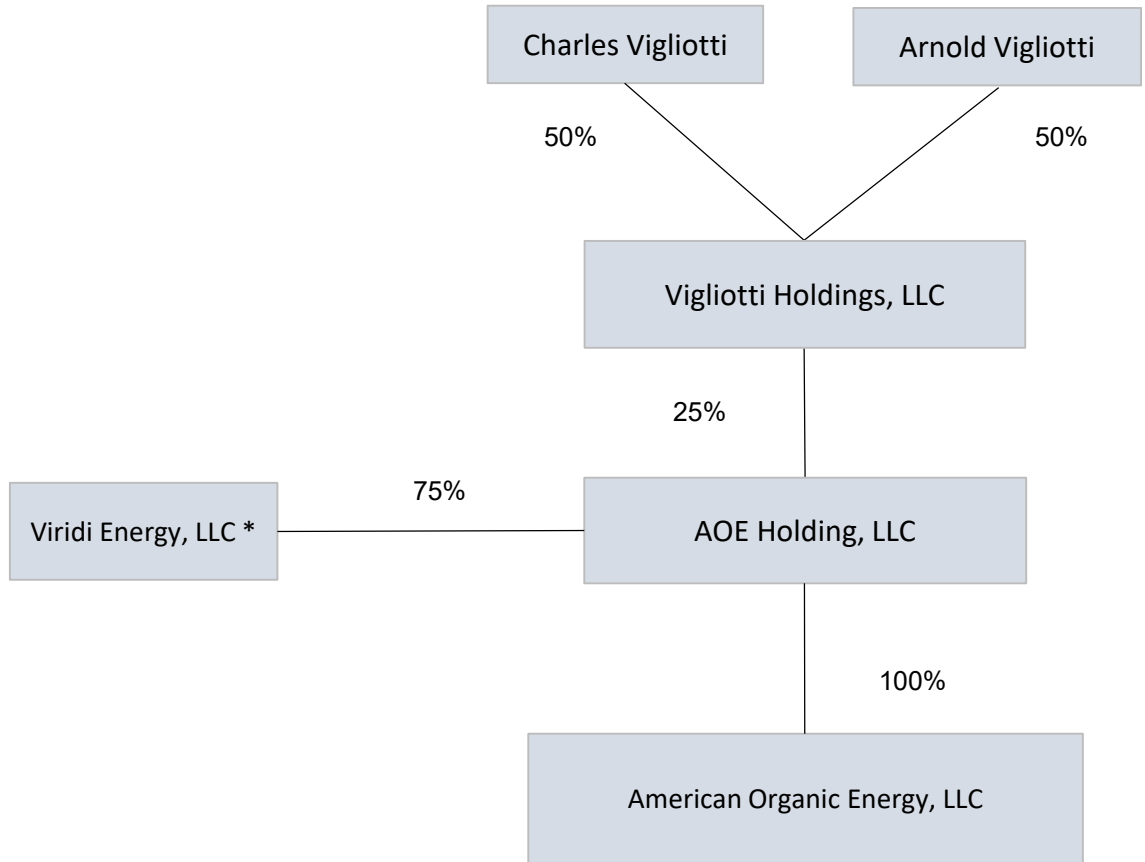
Scotts (Estimated)	Under \$30k			\$30k-\$50k			\$50k-\$75k			Over \$75k			Total
Number of full-time employees	23		4			3			3			0	33
Number of part time employees	0		0			0			0			0	0

Total payroll for full time employees **\$ 21,792 WEEKLY**  
 Total payroll for part time employees **\$ -**  
 Total payroll for all employees **\$ 21,792**

Total for Yaphank Site	Under \$30k			\$30k-\$50k			\$50k-\$75k			Over \$75k			Total
Total - Full Time Employees	51		36			22			15			0	124
Total - Part Time Employees	0		0			0			0			0	-

Total Payroll for All Employees - Year Two of AOE Operation **\$ 120,148 WEEKLY**

### American Organic Energy, LLC Planned Ownership Structure



\* Warburg Pincus is majority owner of Viridi Energy, LLC