

GLOBAL FOOD SOLUTIONS, INC.
159 ADAMS AVENUE, HAUPPAUGE, NEW YORK 11788

November 1, 2022

VIA FEDERAL EXPRESS

Town of Brookhaven Industrial Development Agency
Attn: Ms. Lisa MG Mulligan, Chief Executive Officer
One Independence Hill
Farmingville, New York 11738

Re: Global Food Solutions, Inc.'s Application for Financial Assistance

Dear Ms. Mulligan:

Please find enclosed Global Food Solutions, Inc.'s (the "Applicant" or "GFS") Application to the Town of Brookhaven Industrial Development Agency (the "IDA") for benefits regarding GFS's acquisition, addition, and operations at 905 Waverly Avenue, Holtsville, New York 11742 (the "Property"). This Property will allow GFS to consolidate and expand its operations under one roof. GFS currently owns its corporate headquarters (via special purpose entity 159 Adams LLC), located at 159 Adams Avenue, Hauppauge, New York 11788, and leases its manufacturing/distribution space, which is located at 50 Constance Court, Hauppauge, New York 11788. The sale of GFS's headquarters will allow for the opportunity to conduct a §1031 transaction, as we are seeking to invest all of the equity in the current headquarters into the Property. Our goal with this acquisition is to position GFS for further success and long-term growth, while establishing our home base of the future in the Town of Brookhaven.

GFS is a privately owned family business that was conceived by father and son team Michael Levine and Mitchell Levine to tackle the two parallel crises that the United States is experiencing related to food and public health: (i) hunger; and (ii) diet-related diseases. In 2020, one in ten households (more than 38 million Americans) experienced food insecurity. One in seven American children (approximately 11 million) live in homes where there is, *at best*, inconsistent access to adequate healthy food. As a result, American children are struggling with hunger, and there is a growing epidemic of diet-related diseases among adults in the United States, which unfortunately starts from habits formed during childhood.

GFS is devoted to developing, manufacturing, and distributing affordable, wholesome, and sustainable food products for the school food service and general food service industry. We are advocates for feeding our children and ensuring that our country's future remains vibrant and healthy. In 2022 we were fortunate to receive our second Inc. 5000 award for our role as one of the fastest-growing private businesses in the United States.

GFS's primary market is servicing the K-12 food service industry with our various products under GFS's seven brands. GFS currently services many of the largest school food service programs in the Northeast United States, as well as a number of school food service programs throughout the country. These customers include, but are not limited to, the: (i) New York City Public Schools; (ii) Long Island Co-Op (over 70 districts); (iii) Philadelphia Public Schools; (iv) Bridgeport (Connecticut) Public Schools; (v) Boston Public Schools; and (vi) Raleigh (North Carolina) Public Schools. GFS has grown into a powerhouse in the space, and currently reaches over 7,500 school districts with our various products and brands. Additionally, GFS services other food service accounts ranging from hospitals and outpatient healthcare facilities to the Armed Forces of the United States (domestically and abroad).

GFS's products feature a variety of nutritional attributes across the breadth of our brands and product types, with many of our products and raw materials being sourced domestically. All of our products are made in accordance with strict industry nutrition and compliance standards, and many feature no artificial colors and/or flavors, are peanut/tree nut free, made with whole grains, and *never* incorporate ingredients listed on our prohibited ingredient list. In response to the COVID-19 global pandemic, GFS expanded rapidly by producing products under the brands the company had grown by utilizing a network of co-packing manufacturing facilities across the United States. GFS worked quickly across its supply chain to establish and identify multiple facilities in its network to produce grab-and-go meal kits, and opened its first manufacturing facility in Hauppauge, New York as a result of this explosive growth. This facility is now located down the street from the GFS' corporate headquarters in Hauppauge.

The current manufacturing facility utilized by GFS features refrigeration, a freezer, and dry storage. The GFS team converted two portions of the facility into food manufacturing spaces, with one space featuring three manufacturing lines, with two manufacturing lines being utilized to assemble our grab-and-go meal kits. One line assembles GFS's grab-and-go meal kits that are used primarily for the School Breakfast Program ("SBP"), and the other production line assembles components for our SBP pre-packed yogurt parfaits. GFS successfully converted the additional manufacturing space into a sandwich operation, and is currently under contract to produce over *four million sandwiches* for the 2022/2023 school year under the United States Department of Agriculture's Commodity Foods Further Processing Program, which are primarily used in the National School Lunch Program ("NSLP").

As a result of this tremendous growth, GFS hired over twenty-five (25) new manufacturing and production personnel in roles ranging from our director of quality control to our production staff, warehouse equipment staff, and skilled technicians. In 2022 we find ourselves continuing on this growth trajectory and are being asked by our current school district customer base to continue to expand our offerings and products for their programs. However, due to our rapid growth, we have simply run out of space and are unable to continue our expansion, which will result in millions of school children here in New York (and throughout the country) not being exposed to our "better for you" offerings.

As we continue to expand our manufacturing capabilities and service millions of American students, we find ourselves with an opportunity to continue our growth at the Property, which is approximately 15 minutes from the company's current locations. However, GFS will be unable to maintain this momentum without the IDA's assistance due to Suffolk County's burdensome real estate taxes and acquisition costs, which real estate taxes and acquisition costs make GFS's project financially oppressive. In order for GFS to remain competitive in the space and continue to create good paying jobs on Long Island in a financially viable manner, we respectfully request the IDA's assistance with benefits relating to real estate taxes and sales & use taxes for the Property.

We look forward to a continued dialogue with the IDA Board of Directors to review the project together and address any questions you may have regarding the Property. Thank you kindly in advance for your time and consideration.

Very truly yours,

GLOBAL FOOD SOLUTIONS, INC.

By: 
Michael Levine Chief Executive Officer

APPROVED

By Michael Levine at 6:55 am, Nov 01, 2022